



Association of Bay Area Governments



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RHNA

October 2020

REGIONAL HOUSING NEEDS ALLOCATION PROPOSED METHODOLOGY: San Francisco Bay Area, 2023-2031

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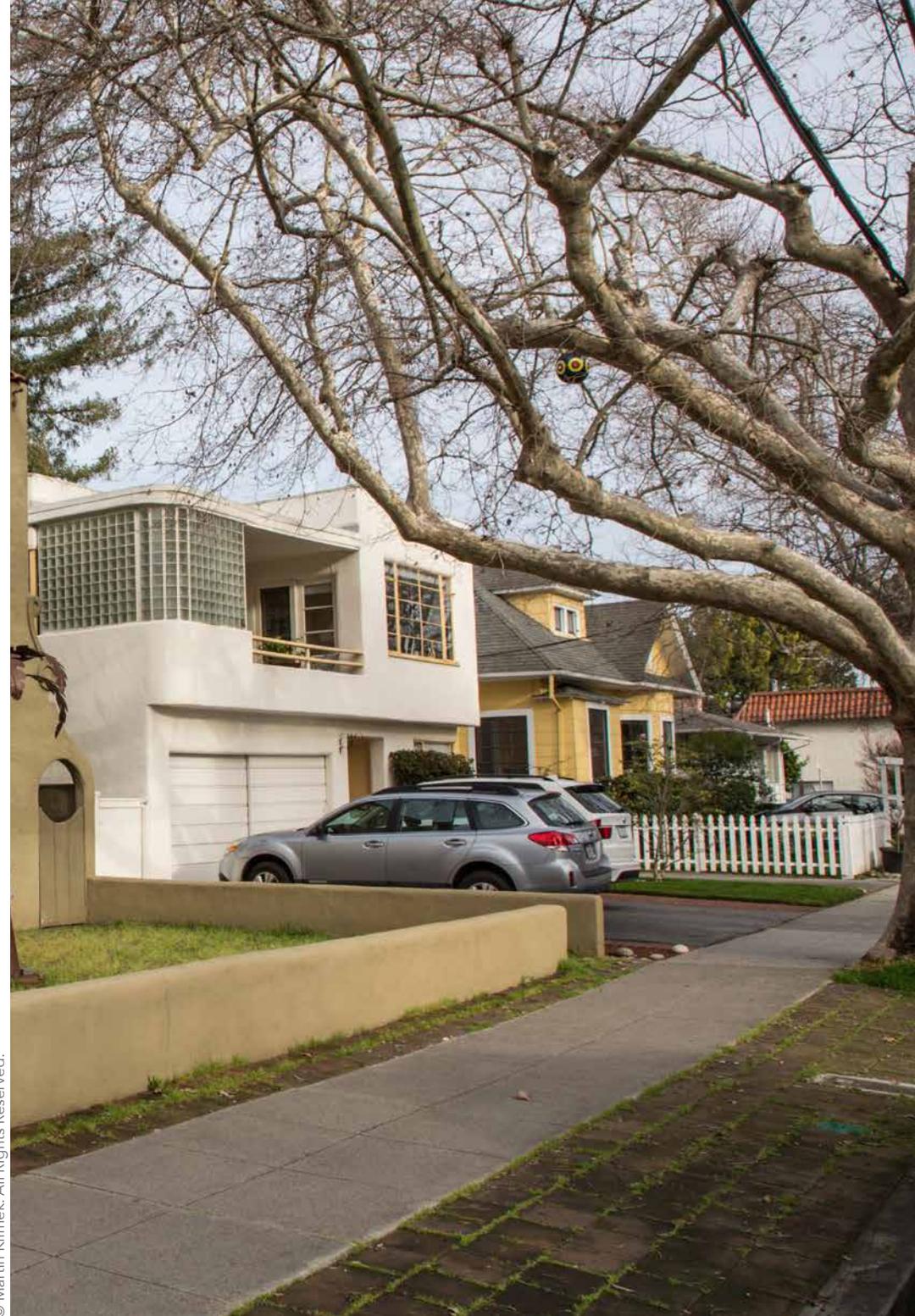
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INTRODUCTION

Since 1969, the State of California has required each local government to plan for its share of the state's housing needs for people of all income levels. Through the Regional Housing Needs Allocation (RHNA) process, every local jurisdiction is assigned a number of housing units representing its share of the state's housing needs for an eight-year period. State Housing Element Law requires the Association of Bay Area Governments (ABAG) to develop a methodology for distributing the Bay Area's portion of the state housing needs to local governments within the nine-county region, including reporting on the proposed methodology. This report contains the data and assumptions involved in developing the proposed methodology, and it also explains how the proposed methodology takes into account key statutory factors and meets five key objectives as outlined in Housing Element Law.¹



ABAG will take public comment on this proposed methodology through 12:00 noon, Friday, November 27, 2020 and incorporate feedback from the ABAG Regional Planning Committee and Executive Board, culminating in a draft methodology anticipated by January 2021. HCD will then review the draft methodology and provide findings to ABAG, and the ABAG Executive Board will be asked to adopt a final methodology in spring 2021.

ABOUT THE REGIONAL HOUSING NEEDS ALLOCATION

The RHNA process identifies the total number of housing units, separated into four affordability levels, that every local government in the Bay Area must plan to accommodate for the period from 2023 to 2031.² The primary role of the RHNA methodology is to encourage a pattern of housing growth for the Bay Area that meets the needs of all residents.

Once it receives its allocation, each local government must update the Housing Element of its General Plan and its zoning to show how it plans to accommodate its RHNA units and meet the housing needs in its community. It is in the community's Housing Element that local governments

make decisions about where future housing units could be located and the policies and strategies for addressing specific housing needs within a given jurisdiction, such as addressing homelessness, meeting the needs of specific populations, affirmatively furthering fair housing, or minimizing displacement.³

Who is Responsible for RHNA?

Responsibility for completing RHNA is shared among state, regional and local governments:

- The **role of the State** is to identify the total number of homes for which each region in California must plan in order to meet the housing needs of people across the full spectrum of income levels, from housing for



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very low-income households all the way to market-rate housing. This is developed by the California Department of Housing and Community Development (HCD) and is known as the Regional Housing Needs Determination (RHND).

- The **role of the region** is to allocate a share of the RHND to each local government in the region. As the Council of Governments (COG) for the nine-county Bay Area, ABAG is required to develop the methodology for sharing the RHND among all cities, towns and counties in the region. ABAG developed the proposed methodology in conjunction with a committee of elected officials, city and county staff, and stakeholders called the Housing Methodology Committee (HMC).
- The **role of local governments** is to participate in the development of the allocation methodology and to update their Housing Elements to show how they will accommodate their share of the RHND, following the adoption of the final RHNA allocations. The Housing Element must include an inventory of sites that have been zoned for sufficient capacity to accommodate the jurisdiction's RHNA allocation for each income category.

The Regional Housing Needs Determination⁴

In consultation with ABAG, HCD determined that the Bay Area must plan for 441,176 new housing units from 2023 to 2031. This determination is based on population projections produced by the California Department of Finance (see Appendix 1 for the letter ABAG received from HCD). Details of the RHND by income category

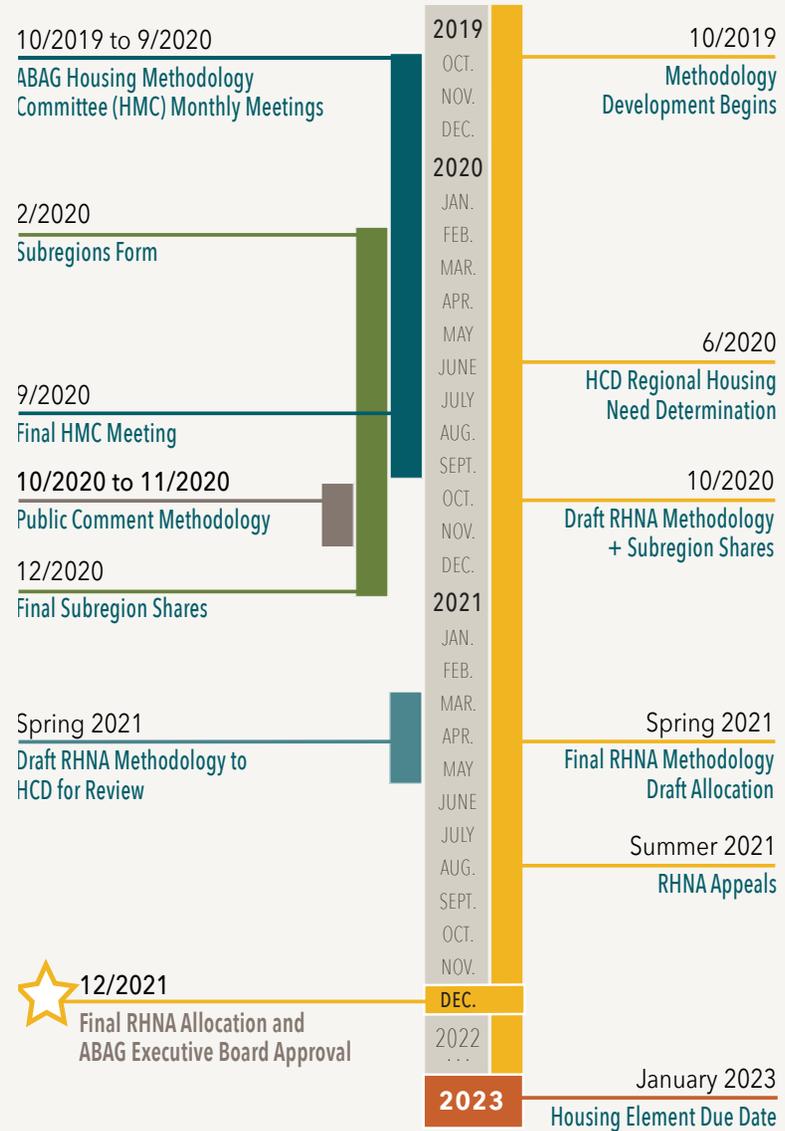
SCHEDULE AND PROCESS FOR DEVELOPING RHNA

In October 2019, ABAG convened the Housing Methodology Committee (HMC), comprised of local elected officials, jurisdiction staff, and other stakeholders from throughout the region, to advise ABAG on developing the RHNA methodology. Between October 2019 and September 2020, the committee met 12 times to deliberate about how best to allocate the region’s housing need to jurisdictions.

Major Milestones in the RHNA Process

- **On June 9, 2020**, HCD provided ABAG with its determination of total regional housing need. HCD indicated that Bay Area jurisdictions must plan for 441,176 units between 2023-2031
- **On October 15, 2020**, the ABAG Executive Board approved the proposed methodology and draft subregion shares.
- **October 25 - November 27, 2020**: Public comment period will be open on proposed methodology
- **January 2021**: final subregion shares and draft methodology approval; draft methodology to HCD for review
- **Spring 2021**: final methodology and draft allocation released
- **Summer 2021**: RHNA appeals and hearing
- **December 2021**: final RHNA allocation and Executive Board approval

2023 - 2031 RHNA Development Timeline



are shown in Table 1 . This determination is based on population projections produced by the California Department of Finance and the application of specific adjustments to determine the total amount of housing needs for the region. The adjustments are a result of recent legislation that sought to incorporate an estimate of existing housing need by requiring HCD to apply factors related to a target vacancy rate, the rate of overcrowding, and the share of cost-burdened households.⁵ The new laws governing the methodology for how HCD calculates the RHND resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles.

Table 1: ABAG Regional Housing Needs Determination from HCD

INCOME CATEGORY	PERCENT	HOUSING UNIT NEED
Very Low*	25.9%	114,442
Low	14.9%	65,892
Moderate	16.5%	72,712
Above Moderate	42.6%	188,130
TOTAL	100%	441,176

* Extremely Low

15.5%

Included in "Very Low" Income Category



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THE PROPOSED RHNA METHODOLOGY

As noted previously, the purpose of the RHNA methodology is to divide the RHND among Bay Area jurisdictions. The methodology is a formula that calculates the number of housing units assigned to each city and county, and the formula also distributes each jurisdiction's housing unit allocation among four affordability levels.

Housing Methodology Committee

As it has for the past several RHNA cycles, ABAG convened a Housing Methodology Committee to guide

development of the methodology used to allocate a share of the region's total housing need to every local government in the Bay Area. ABAG's Housing Methodology Committee approach stands out compared to most other large Councils of Governments, going beyond the legal requirements to facilitate dialogue and information-sharing among local government representatives and stakeholders from across the Bay Area with crucial expertise to address the region's housing challenges. As ABAG strives to advance equity and affirmatively further fair housing, the agency sought to ensure a breadth of voices in the methodology process. The Housing Methodology Committee held 12 meetings starting in October 2019 to formulate a recommended



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RHNA methodology. Information about the topics discussed at the meetings is available on the ABAG website.

RHNA Statutory Objectives and Factors

Development of the RHNA methodology was guided by the statutory requirements that the RHNA meet five objectives⁶ and be consistent with the forecasted development pattern from Plan Bay Area 2050.⁷ The five statutory objectives of RHNA can be summarized as:

- 1. Increase housing supply and mix of housing types,** tenure and affordability in all cities and counties in an equitable manner
- 2. Promote infill development and socioeconomic equity,** protect environmental and agricultural resources, encourage efficient development patterns and achieve greenhouse gas emissions reduction targets
- 3. Promote improved intraregional jobs-housing relationship,** including balance between low-wage jobs and affordable housing
- 4. Balance disproportionate household income distributions** (more high-income RHNA to lower-income areas and vice-versa)
- 5. Affirmatively further fair housing**

Since the last RHNA cycle (2015 to 2023), the State has made several changes to the laws that govern the RHNA process, including modifications to the objectives that the



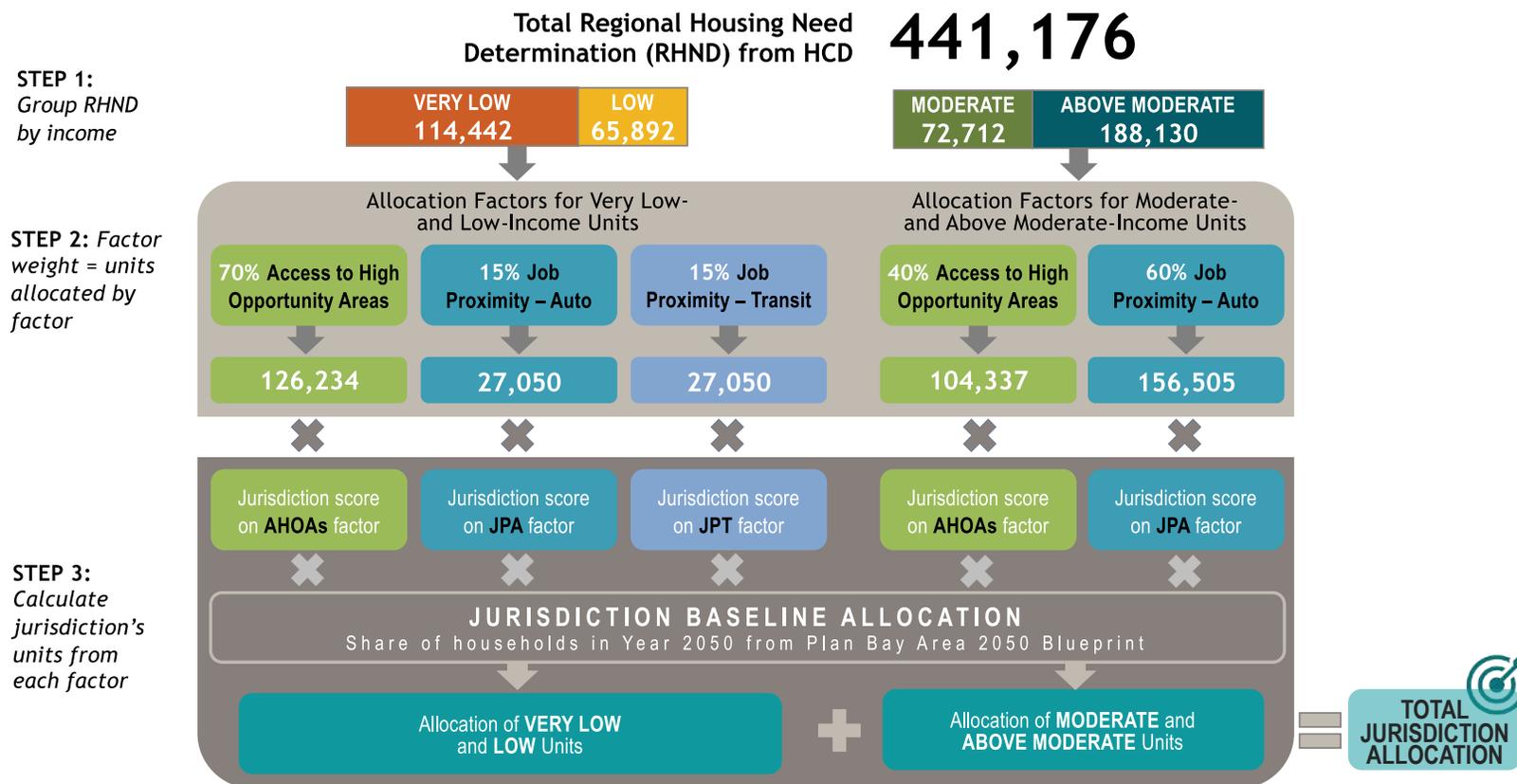
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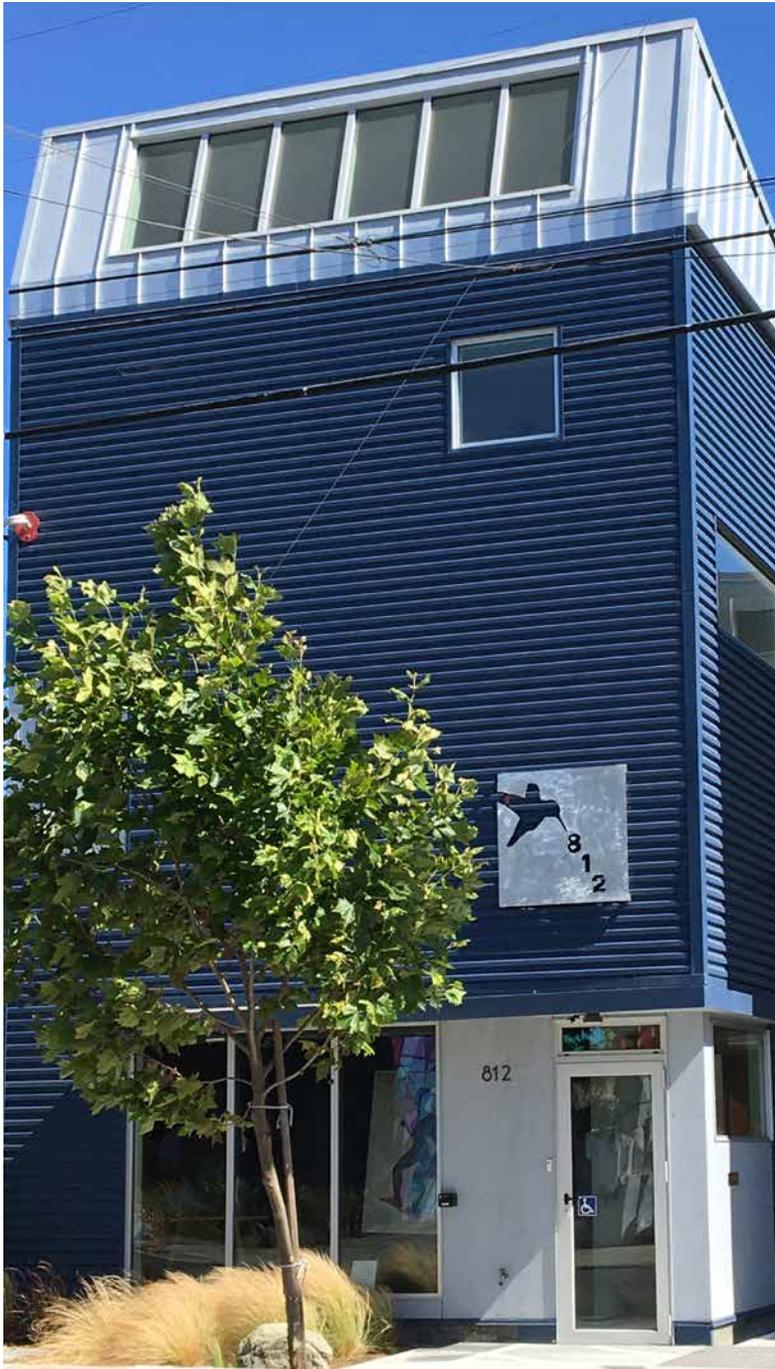
RHNA allocation must meet. Changes include highlighting the importance of specifically addressing the balance between low-wage jobs and homes affordable to low-wage workers (known as jobs-housing fit) when looking at improving the jobs-housing relationship as part of Objective 3 as well as considering achievement of the region’s greenhouse gas emissions reduction target when promoting infill development and socioeconomic equity as part of Objective 2. However, the most notable addition is Objective 5, the new requirement to “affirmatively further fair housing,” which focuses on overcoming patterns of segregation and fostering inclusive communities.⁸ This new requirement applies to RHNA as well as local government Housing Element updates. While RHNA has always focused on increasing access to housing for all, the new statutory requirements make this commitment to fair housing a more explicit aspect of the RHNA process and Housing Element updates.

In addition to meeting the objectives outlined above, State Housing Element Law requires ABAG to consider a specific set of factors in the development of the RHNA methodology. The law also requires ABAG to survey its member jurisdictions to gather information on the factors that must be considered for inclusion in the methodology.⁹ As part of the new requirement related to affirmatively furthering fair housing, ABAG included questions in the survey about local governments' issues, strategies

and actions related to achieving fair housing goals. As a complement to these survey questions, ABAG staff also reviewed the fair housing reports that jurisdictions submit to the federal government if they receive block grant funding from the Department of Housing and Urban Development. ABAG opened an online survey to all jurisdictions in the region from January-February 2020 and received 72 responses, a response rate of 66 percent.¹⁰ ABAG staff reviewed the survey responses as

Figure 1: Proposed Methodology Overview





Michèle Stone, MTC

well as other relevant data to inform the development of a methodology that achieves the objectives outlined in state statute.

Housing Element Law also identifies several criteria that *cannot* be used as the basis for a determination of a jurisdiction's share of the regional housing need. These include:

1. Any ordinance, policy, voter-approved measure or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.
2. Prior underproduction of housing in a city or county from the previous regional housing need allocation.
3. Stable population numbers in a city or county from the previous regional housing needs cycle.

More information about how the proposed RHNA methodology furthers the objectives and addresses the methodology factors outlined in Housing Element Law is provided in the RHNA Statutory Objectives and Factors section.

Proposed RHNA Methodology Performance Evaluation

As noted previously, Housing Element Law requires that the RHNA methodology meet the five statutory objectives of RHNA and that it be consistent with the forecasted development pattern from Plan Bay Area 2050. ABAG-MTC staff developed a set of performance evaluation metrics that provided feedback to HMC members about



how well methodology options addressed the five statutory objectives for RHNA and furthered regional planning goals.

Each metric corresponds to one of the five RHNA statutory objectives and the metrics selected were primarily based on the analysis conducted by HCD in evaluating the RHNA methodologies completed by other regions in California.¹¹ **Appendix 2** describes the evaluation metrics in more detail and demonstrates that the proposed RHNA methodology performs well in advancing the five statutory objectives of RHNA.

ABAG-MTC staff also developed a framework for evaluating consistency between RHNA and Plan Bay Area 2050. This approach compares the 8-year RHNA allocations to the 30-year housing growth from Plan Bay Area 2050 at the county and sub-county geographies used in the plan. If the 8-year growth level from RHNA does not exceed the 30-year growth level at either of these geographic levels, then RHNA and Plan Bay Area 2050 will be determined to be consistent. Staff evaluated the proposed RHNA methodology using this approach and determined there are no consistency issues.

The Proposed RHNA Methodology

Figure 1 (on page 11) provides an overview of the proposed RHNA methodology, which includes two primary components.

1. Baseline allocation: 2050 Households (Blueprint)

The baseline allocation is used to assign each jurisdiction a beginning share of the RHND. The baseline allocation is based on each jurisdiction's share of the region's total households in the year 2050 from the Plan Bay Area 2050 Blueprint.¹² Using the 2050 Households (Blueprint) baseline takes into consideration the number of households that are currently living in a jurisdiction as well as the number of households expected to be added over the next several decades. The HMC preferred using 2050 Households (Blueprint) as the baseline because it provides a middle ground between using a baseline based on the current number of households (2019 Households) and a baseline based on forecasted housing growth from the Blueprint.

Note: The ABAG Executive Board and MTC Commission adopted changes to the strategies for the Plan Bay Area 2050 Final Blueprint in September 2020. The changes adopted at that time will affect information about total households in Year 2050 from the Final Blueprint; updated data will be available in December 2020. As this information from the Blueprint is used as the baseline allocation for the proposed RHNA methodology, updates in the Final Blueprint could lead to changes in the ultimate allocations. Data from the Final Blueprint will be integrated into the Draft RHNA Methodology slated for January 2021.

2. Factors and weights for allocating units by income category

Table 2 at right shows the factors and weights the HMC selected for the proposed RHNA methodology. The methodology includes one set of factors and weights for

allocating very low- and low-income units and a second set of factors and weights for allocating moderate- and above-moderate units. The number of units allocated to each jurisdiction using these two formulas are added together to determine that jurisdiction’s total allocation.

Table 2: Factors and Weights for Proposed RHNA Methodology

VERY LOW AND LOW UNITS		MODERATE AND ABOVE MODERATE UNITS	
70%	Access to High Opportunity Areas	40%	Access to High Opportunity Areas
15%	Job Proximity – Auto	60%	Job Proximity – Auto
15%	Job Proximity – Transit		

The weight assigned to each factor (i.e., the percentages shown in Table 2) represents the factor’s relative



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Table 3: Allocation Factor Data and Assumptions

ACCESS TO HIGH OPPORTUNITY AREAS	
Overview	<p>The Access to High Opportunity Areas factor received the most consistent support from the HMC throughout the methodology development process. This factor allocates more housing units to jurisdictions with a higher percentage of households living in areas labelled High Resource or Highest Resource on the 2020 Opportunity Map produced by HCD and the California Tax Credit Allocation Committee (TCAC).¹³ The Opportunity Map stems from HCD’s policy goals to avoid further segregation and concentration of poverty and to encourage access to opportunity through affordable housing programs. The map uses publicly available data sources to identify areas in the state whose characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families and their children. The Access to High Opportunity Areas factor directly addresses the RHNA objective to affirmatively further fair housing by increasing access to opportunity and replacing segregated living patterns.¹⁴ Although this factor does not explicitly incorporate racial demographics, it has the potential to expand housing opportunities for low-income households and people of color in more places where these communities have historically lacked access. Another practical strength of this factor is that HCD has consistently used the Opportunity Map to assess whether other regions’ RHNA methodologies meet the objective to affirmatively further fair housing.</p>
Impact	More housing units allocated to jurisdictions with the most access to opportunity.
Definition	The percentage of a jurisdiction’s households living in census tracts labelled High Resource or Highest Resource based on opportunity index scores.
Data Source	<p>HCD/TCAC 2020 Opportunity Maps</p> <p>Note: The original Opportunity Map methodology required that 40 percent of tracts designated as rural within each county are labelled as High or Highest Resource. However, all non-rural tracts in a region are compared to each other, not just to other tracts in the same county, and the tracts with opportunity index scores in the top 40 percent among all non-rural tracts are labelled High or Highest Resource. Staff from UC Berkeley’s Othering and Belonging Institute, who prepared the opportunity index data for TCAC and HCD, issued a recalculation of the opportunity index to ABAG/MTC staff for use in the RHNA methodology. In the recalculation, all Bay Area census tracts are compared to each other, so rural areas are now compared to all other tracts in the region instead of solely to other rural tracts in the same county. This recalculation mostly affected Solano and Sonoma Counties, which had fewer tracts classified as High or Highest Resource as a result.</p>

Table 3 continued on next page

Table 3: Allocation Factor Data and Assumptions (continued)

JOB PROXIMITY	
Overview	The two factors based on job proximity (Job Proximity - Auto and Job Proximity - Transit) consider the relationship between jobs and transportation. Job Proximity - Auto is based on jobs that can be accessed from a jurisdiction by a 30-minute auto commute, while Job Proximity - Transit is based on jobs that can be accessed from a jurisdiction within a 45-minute transit commute. These factors encourage more housing in jurisdictions with easier access to the region's job centers. Additionally, these factors use a commute shed to measure job access rather than solely considering the jobs present within a jurisdiction's boundaries. Using a commute shed intends to better capture the lived experience of accessing jobs irrespective of jurisdiction boundaries. Housing and job markets extend beyond jurisdiction boundaries—in most cities, a majority of workers work outside their jurisdiction of residence, and demand for housing in a particular jurisdiction is substantially influenced by its proximity and accessibility to jobs in another community.
Impact	More housing allocated to jurisdictions with easier access to region's job centers.
Definition	<ul style="list-style-type: none"> • Job Proximity - Auto: Share of region's total jobs that can be accessed from a jurisdiction by a 30-minute auto commute. • Job Proximity - Transit: Share of region's total jobs that can be accessed from a jurisdiction by a 45-minute transit commute.
Data Source	MTC, Travel Model One, Model Run 2015_06_002

importance in the overall allocation. The weight determines the share of the region's housing needs that will be assigned by that particular factor.

Each factor represents data related to the methodology's policy priorities: access to high opportunity areas and proximity to jobs. A factor's effect on a jurisdiction's allocation depends on how the jurisdiction scores on the factor relative to other jurisdictions in the region. A jurisdiction with an above-average score on a factor

would get an upwards adjustment, whereas a city with a below-average score on a factor would get a downwards adjustment relative to the baseline allocation. By design, the factors are placed on the same scale so a factor can modify the baseline in the range from 50 percent to 150 percent: Jurisdictions scoring at the top for the region will get baseline share times 1.5, while jurisdictions scoring at the bottom for the region will get baseline share times 0.5. This scaling approach helps distribute RHNA units



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throughout the region by ensuring that even a jurisdiction with a low score gets an allocation from each factor and placing a limit on how many units can be assigned to a jurisdiction with a high score. **Table 3** (pages 15-16) provides more detail about the data and assumptions for each factor.

Table 4 (pages 18-29) shows the impact that each factor has on each jurisdiction's baseline allocation from the Plan Bay Area 2050 Blueprint. Determining a factor's impact starts with calculating the jurisdiction's raw score for a factor. For Access to High Opportunity Areas, the raw score is the share of households in a jurisdiction in High or Highest Resource census tracts. The raw score for job proximity is the share of the region's jobs that can be accessed from a jurisdiction in either a 30-minute auto or 45-minute transit commute. As noted previously, a jurisdiction's raw factor score is rescaled to a range of

0.5 to 1.5. Each jurisdiction's baseline allocation is then multiplied by the scaled factor score. The final step is to adjust the scaled factor scores for all jurisdictions to ensure they sum to 100 percent.

Table 5 (pages 30-41) shows the number of units, by income category, that each jurisdiction receives as a result of each factor in the methodology. **Appendix 3** summarizes what each jurisdiction's allocation would be by income category based on the proposed RHNA methodology. **Figure 2** is maps (on pages 42-43) showing the distribution of RHNA units to Bay Area jurisdictions resulting from the proposed RHNA methodology.

Note: the jurisdiction-specific allocations (pages 30-41) are for **illustrative purposes only** (refer to Schedule and Process diagram on page 7 for additional steps in determining final allocations).

Table 4: Factor Scores by Jurisdiction

Jurisdiction	BASELINE ALLOCATION: Share of Bay Area Households in Year 2050 (A)	FACTOR: ACCESS TO HIGH OPPORTUNITY AREAS (AHOA)			
		FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
		RAW AHOA FACTOR SCORE	AHOA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY AHOA FACTOR (A * B)	
Alameda	1.0%	65.8%	1.2	1.2%	1.2%
Albany	0.2%	84.5%	1.3	0.3%	0.3%
American Canyon	0.2%	0.0%	0.5	0.1%	0.1%
Antioch	1.0%	0.0%	0.5	0.5%	0.6%
Atherton	0.1%	41.4%	0.9	0.1%	0.1%
Belmont	0.3%	100.0%	1.5	0.5%	0.5%
Belvedere	0.0%	100.0%	1.5	0.0%	0.1%
Benicia	0.3%	11.8%	0.6	0.2%	0.2%
Berkeley	1.5%	73.0%	1.2	1.8%	1.9%
Brentwood	0.6%	0.0%	0.5	0.3%	0.3%
Brisbane	0.7%	0.0%	0.5	0.4%	0.4%
Burlingame	0.6%	100.0%	1.5	0.9%	0.9%
Calistoga	0.1%	0.0%	0.5	0.0%	0.0%
Campbell	0.7%	65.7%	1.2	0.9%	0.9%
Clayton	0.1%	100.0%	1.5	0.2%	0.2%
Cloverdale	0.1%	0.0%	0.5	0.1%	0.1%
Colma	0.0%	0.0%	0.5	0.0%	0.0%
Concord	1.3%	11.2%	0.6	0.8%	0.9%
Corte Madera	0.1%	100.0%	1.5	0.2%	0.2%

FACTOR: JOB PROXIMITY - AUTO (JPA)				FACTOR: JOB PROXIMITY - TRANSIT (JPT)			
FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%	FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
RAW JPA FACTOR SCORE	JPA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPA FACTOR (A * B)		RAW JPT FACTOR SCORE	JPT FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPT FACTOR (A * B)	
16.46	1.0	1.0%	1.0%	2.57	0.7	0.7%	0.9%
16.53	1.0	0.2%	0.2%	5.33	0.9	0.2%	0.3%
4.49	0.6	0.1%	0.1%	-	0.5	0.1%	0.1%
1.67	0.5	0.6%	0.5%	0.05	0.5	0.5%	0.7%
21.08	1.2	0.1%	0.1%	1.83	0.6	0.0%	0.1%
19.02	1.1	0.3%	0.3%	0.75	0.6	0.2%	0.2%
3.21	0.6	0.0%	0.0%	-	0.5	0.0%	0.0%
7.35	0.7	0.2%	0.2%	0.02	0.5	0.1%	0.2%
18.03	1.1	1.5%	1.5%	7.62	1.0	1.5%	2.0%
1.29	0.5	0.3%	0.3%	-	0.5	0.3%	0.4%
26.70	1.3	1.0%	1.0%	0.11	0.5	0.4%	0.5%
21.88	1.2	0.7%	0.7%	0.77	0.6	0.3%	0.4%
0.50	0.5	0.0%	0.0%	-	0.5	0.0%	0.1%
23.85	1.2	0.9%	0.9%	3.07	0.7	0.5%	0.7%
6.18	0.7	0.1%	0.1%	0.02	0.5	0.1%	0.1%
0.40	0.5	0.1%	0.1%	-	0.5	0.1%	0.1%
25.76	1.3	0.1%	0.1%	5.50	0.9	0.0%	0.1%
6.80	0.7	0.9%	0.9%	0.38	0.5	0.7%	0.9%
7.99	0.7	0.1%	0.1%	0.73	0.6	0.1%	0.1%

Table 4: Factor Scores by Jurisdiction

Jurisdiction	BASELINE ALLOCATION: Share of Bay Area Households in Year 2050 (A)	FACTOR: ACCESS TO HIGH OPPORTUNITY AREAS (AHOA)			
		FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
		RAW AHOA FACTOR SCORE	AHOA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY AHOA FACTOR (A * B)	
Cotati	0.1%	0.0%	0.5	0.1%	0.1%
Cupertino	1.0%	100.0%	1.5	1.5%	1.6%
Daly City	1.0%	27.3%	0.8	0.8%	0.9%
Danville	0.4%	100.0%	1.5	0.6%	0.7%
Dixon	0.2%	0.0%	0.5	0.1%	0.1%
Dublin	0.7%	100.0%	1.5	1.0%	1.1%
East Palo Alto	0.2%	0.0%	0.5	0.1%	0.1%
El Cerrito	0.3%	11.0%	0.6	0.2%	0.2%
Emeryville	0.4%	0.0%	0.5	0.2%	0.2%
Fairfax	0.1%	100.0%	1.5	0.2%	0.2%
Fairfield	1.4%	0.0%	0.5	0.7%	0.8%
Foster City	0.3%	100.0%	1.5	0.5%	0.6%
Fremont	2.7%	92.0%	1.4	3.8%	4.1%
Gilroy	0.5%	16.6%	0.7	0.3%	0.4%
Half Moon Bay	0.1%	0.0%	0.5	0.1%	0.1%
Hayward	1.4%	0.0%	0.5	0.7%	0.8%
Healdsburg	0.1%	0.0%	0.5	0.1%	0.1%
Hercules	0.2%	0.0%	0.5	0.1%	0.1%
Hillsborough	0.1%	100.0%	1.5	0.2%	0.2%

FACTOR: JOB PROXIMITY - AUTO (JPA)				FACTOR: JOB PROXIMITY - TRANSIT (JPT)			
FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%	FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
RAW JPA FACTOR SCORE	JPA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPA FACTOR (A * B)		RAW JPT FACTOR SCORE	JPT FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPT FACTOR (A * B)	
4.45	0.6	0.1%	0.1%	0.00	0.5	0.1%	0.1%
27.57	1.4	1.3%	1.3%	0.87	0.6	0.5%	0.8%
26.87	1.3	1.4%	1.3%	6.05	0.9	1.0%	1.3%
9.02	0.8	0.3%	0.3%	0.03	0.5	0.2%	0.3%
1.70	0.6	0.1%	0.1%	-	0.5	0.1%	0.1%
8.73	0.8	0.5%	0.5%	0.22	0.5	0.4%	0.5%
30.67	1.5	0.3%	0.3%	1.90	0.6	0.1%	0.2%
14.76	1.0	0.3%	0.3%	2.91	0.7	0.2%	0.3%
19.60	1.1	0.4%	0.4%	13.12	1.4	0.6%	0.8%
3.30	0.6	0.1%	0.1%	0.29	0.5	0.1%	0.1%
3.66	0.6	0.9%	0.9%	0.11	0.5	0.7%	1.0%
18.05	1.1	0.4%	0.4%	0.23	0.5	0.2%	0.2%
12.60	0.9	2.4%	2.3%	0.52	0.5	1.4%	2.0%
1.29	0.5	0.3%	0.3%	0.04	0.5	0.3%	0.4%
0.20	0.5	0.1%	0.1%	-	0.5	0.1%	0.1%
11.69	0.9	1.2%	1.2%	0.66	0.5	0.8%	1.0%
3.13	0.6	0.1%	0.1%	0.02	0.5	0.1%	0.1%
8.49	0.8	0.2%	0.2%	0.45	0.5	0.1%	0.2%
15.67	1.0	0.1%	0.1%	0.02	0.5	0.1%	0.1%

Table 4: Factor Scores by Jurisdiction

Jurisdiction	BASELINE ALLOCATION: Share of Bay Area Households in Year 2050 (A)	FACTOR: ACCESS TO HIGH OPPORTUNITY AREAS (AHOA)			
		FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
		RAW AHOA FACTOR SCORE	AHOA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY AHOA FACTOR (A * B)	
Lafayette	0.3%	100.0%	1.5	0.4%	0.5%
Larkspur	0.2%	100.0%	1.5	0.3%	0.3%
Livermore	1.1%	37.3%	0.9	1.0%	1.1%
Los Altos	0.3%	100.0%	1.5	0.5%	0.6%
Los Altos Hills	0.1%	100.0%	1.5	0.1%	0.1%
Los Gatos	0.3%	100.0%	1.5	0.5%	0.5%
Martinez	0.4%	29.8%	0.8	0.3%	0.3%
Menlo Park	0.5%	84.8%	1.3	0.7%	0.7%
Mill Valley	0.2%	100.0%	1.5	0.2%	0.3%
Millbrae	0.4%	100.0%	1.5	0.6%	0.6%
Milpitas	1.2%	62.3%	1.1	1.4%	1.5%
Monte Sereno	0.0%	100.0%	1.5	0.0%	0.1%
Moraga	0.2%	100.0%	1.5	0.3%	0.3%
Morgan Hill	0.4%	0.0%	0.5	0.2%	0.2%
Mountain View	1.8%	92.5%	1.4	2.5%	2.7%
Napa	0.8%	2.8%	0.5	0.4%	0.5%
Newark	0.6%	11.4%	0.6	0.4%	0.4%
Novato	0.7%	25.2%	0.8	0.5%	0.5%
Oakland	6.5%	24.3%	0.7	4.8%	5.2%

FACTOR: JOB PROXIMITY - AUTO (JPA)				FACTOR: JOB PROXIMITY - TRANSIT (JPT)			
FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%	FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
RAW JPA FACTOR SCORE	JPA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPA FACTOR (A * B)		RAW JPT FACTOR SCORE	JPT FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPT FACTOR (A * B)	
13.39	0.9	0.3%	0.3%	0.58	0.5	0.2%	0.2%
6.56	0.7	0.1%	0.1%	0.66	0.5	0.1%	0.1%
4.97	0.7	0.7%	0.7%	0.10	0.5	0.6%	0.8%
30.66	1.5	0.5%	0.5%	0.86	0.6	0.2%	0.3%
29.82	1.4	0.1%	0.1%	0.00	0.5	0.0%	0.1%
20.66	1.1	0.4%	0.4%	0.12	0.5	0.2%	0.2%
8.95	0.8	0.3%	0.3%	0.15	0.5	0.2%	0.3%
30.39	1.4	0.7%	0.7%	1.43	0.6	0.3%	0.4%
6.63	0.7	0.1%	0.1%	0.27	0.5	0.1%	0.1%
26.43	1.3	0.5%	0.5%	0.81	0.6	0.2%	0.3%
25.69	1.3	1.6%	1.5%	2.59	0.7	0.8%	1.1%
21.40	1.2	0.0%	0.0%	0.01	0.5	0.0%	0.0%
12.40	0.9	0.2%	0.2%	0.27	0.5	0.1%	0.1%
4.42	0.6	0.3%	0.3%	0.15	0.5	0.2%	0.3%
31.81	1.5	2.6%	2.6%	1.74	0.6	1.1%	1.5%
3.02	0.6	0.5%	0.5%	0.24	0.5	0.4%	0.6%
9.20	0.8	0.5%	0.4%	0.39	0.5	0.3%	0.4%
3.81	0.6	0.4%	0.4%	0.06	0.5	0.3%	0.5%
19.81	1.1	7.3%	7.0%	7.04	1.0	6.4%	8.8%

Table 4: Factor Scores by Jurisdiction

Jurisdiction	BASELINE ALLOCATION: Share of Bay Area Households in Year 2050 (A)	FACTOR: ACCESS TO HIGH OPPORTUNITY AREAS (AHOA)			
		FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
		RAW AHOA FACTOR SCORE	AHOA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY AHOA FACTOR (A * B)	
Oakley	0.4%	0.0%	0.5	0.2%	0.2%
Orinda	0.2%	100.0%	1.5	0.3%	0.3%
Pacifica	0.4%	100.0%	1.5	0.5%	0.6%
Palo Alto	1.5%	100.0%	1.5	2.3%	2.5%
Petaluma	0.8%	7.7%	0.6	0.5%	0.5%
Piedmont	0.1%	100.0%	1.5	0.1%	0.2%
Pinole	0.2%	0.0%	0.5	0.1%	0.1%
Pittsburg	0.6%	0.0%	0.5	0.3%	0.3%
Pleasant Hill	0.4%	63.6%	1.1	0.5%	0.5%
Pleasanton	0.9%	100.0%	1.5	1.4%	1.5%
Portola Valley	0.0%	100.0%	1.5	0.1%	0.1%
Redwood City	1.1%	47.3%	1.0	1.1%	1.2%
Richmond	1.4%	0.0%	0.5	0.7%	0.8%
Rio Vista	0.1%	0.0%	0.5	0.0%	0.1%
Rohnert Park	0.5%	0.0%	0.5	0.2%	0.3%
Ross	0.0%	100.0%	1.5	0.0%	0.0%
San Anselmo	0.1%	100.0%	1.5	0.2%	0.2%
San Bruno	0.5%	24.4%	0.7	0.4%	0.4%
San Carlos	0.4%	100.0%	1.5	0.6%	0.6%
San Francisco	12.4%	54.4%	1.0	12.9%	13.9%

FACTOR: JOB PROXIMITY - AUTO (JPA)				FACTOR: JOB PROXIMITY - TRANSIT (JPT)			
FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%	FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
RAW JPA FACTOR SCORE	JPA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPA FACTOR (A * B)		RAW JPT FACTOR SCORE	JPT FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPT FACTOR (A * B)	
1.36	0.5	0.2%	0.2%	0.00	0.5	0.2%	0.3%
18.14	1.1	0.2%	0.2%	0.07	0.5	0.1%	0.1%
10.51	0.8	0.3%	0.3%	0.11	0.5	0.2%	0.2%
30.66	1.5	2.2%	2.2%	0.94	0.6	0.9%	1.2%
3.58	0.6	0.5%	0.5%	0.05	0.5	0.4%	0.5%
19.88	1.1	0.1%	0.1%	4.84	0.8	0.1%	0.1%
8.07	0.7	0.2%	0.2%	0.41	0.5	0.1%	0.2%
5.05	0.7	0.4%	0.4%	0.33	0.5	0.3%	0.5%
9.50	0.8	0.3%	0.3%	0.19	0.5	0.2%	0.3%
8.21	0.8	0.7%	0.7%	0.51	0.5	0.5%	0.7%
13.91	0.9	0.0%	0.0%	-	0.5	0.0%	0.0%
21.78	1.2	1.3%	1.3%	0.67	0.5	0.6%	0.8%
11.67	0.9	1.2%	1.2%	0.76	0.6	0.8%	1.1%
0.10	0.5	0.0%	0.0%	-	0.5	0.0%	0.1%
4.45	0.6	0.3%	0.3%	0.07	0.5	0.2%	0.3%
4.21	0.6	0.0%	0.0%	0.59	0.5	0.0%	0.0%
3.55	0.6	0.1%	0.1%	0.23	0.5	0.1%	0.1%
25.95	1.3	0.6%	0.6%	0.80	0.6	0.3%	0.4%
21.43	1.2	0.5%	0.5%	1.31	0.6	0.2%	0.3%
31.99	1.5	18.6%	18.0%	14.56	1.5	18.6%	25.5%

Table 4: Factor Scores by Jurisdiction

Jurisdiction	BASELINE ALLOCATION: Share of Bay Area Households in Year 2050 (A)	FACTOR: ACCESS TO HIGH OPPORTUNITY AREAS (AHOA)			
		FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
		RAW AHOA FACTOR SCORE	AHOA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY AHOA FACTOR (A * B)	
San Jose	15.2%	34.7%	0.8	12.9%	13.9%
San Leandro	0.9%	0.0%	0.5	0.5%	0.5%
San Mateo	1.3%	61.1%	1.1	1.5%	1.6%
San Pablo	0.3%	0.0%	0.5	0.1%	0.1%
San Rafael	0.9%	21.1%	0.7	0.6%	0.7%
San Ramon	0.9%	100.0%	1.5	1.3%	1.5%
Santa Clara	2.2%	63.9%	1.1	2.5%	2.7%
Santa Rosa	2.4%	6.7%	0.6	1.4%	1.5%
Saratoga	0.3%	100.0%	1.5	0.5%	0.6%
Sausalito	0.1%	100.0%	1.5	0.2%	0.2%
Sebastopol	0.2%	0.0%	0.5	0.1%	0.1%
Sonoma	0.1%	0.0%	0.5	0.1%	0.1%
South San Francisco	0.9%	20.8%	0.7	0.7%	0.7%
St. Helena	0.1%	0.0%	0.5	0.0%	0.0%
Suisun City	0.2%	0.0%	0.5	0.1%	0.1%
Sunnyvale	2.3%	70.2%	1.2	2.7%	2.9%
Tiburon	0.1%	100.0%	1.5	0.2%	0.2%
Unincorporated Alameda	1.3%	27.9%	0.8	1.0%	1.1%
Unincorporated Contra Costa	1.7%	35.9%	0.9	1.4%	1.5%
Unincorporated Marin	0.9%	76.1%	1.3	1.1%	1.2%

FACTOR: JOB PROXIMITY - AUTO (JPA)				FACTOR: JOB PROXIMITY - TRANSIT (JPT)			
FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%	FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
RAW JPA FACTOR SCORE	JPA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPA FACTOR (A * B)		RAW JPT FACTOR SCORE	JPT FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPT FACTOR (A * B)	
20.32	1.1	17.3%	16.7%	2.40	0.7	10.1%	13.9%
18.69	1.1	1.0%	1.0%	3.22	0.7	0.7%	0.9%
20.53	1.1	1.5%	1.5%	1.25	0.6	0.8%	1.1%
12.43	0.9	0.2%	0.2%	1.30	0.6	0.2%	0.2%
4.97	0.7	0.6%	0.6%	0.02	0.5	0.4%	0.6%
8.18	0.8	0.7%	0.7%	0.16	0.5	0.5%	0.6%
27.44	1.4	3.0%	2.9%	3.49	0.7	1.6%	2.2%
4.17	0.6	1.5%	1.5%	0.42	0.5	1.3%	1.7%
23.69	1.2	0.4%	0.4%	0.19	0.5	0.2%	0.2%
17.73	1.1	0.1%	0.1%	0.68	0.5	0.1%	0.1%
3.67	0.6	0.1%	0.1%	0.00	0.5	0.1%	0.1%
0.84	0.5	0.1%	0.1%	-	0.5	0.1%	0.1%
26.06	1.3	1.2%	1.2%	1.08	0.6	0.5%	0.7%
1.08	0.5	0.0%	0.0%	-	0.5	0.0%	0.0%
3.69	0.6	0.1%	0.1%	0.22	0.5	0.1%	0.2%
29.36	1.4	3.2%	3.1%	2.22	0.7	1.5%	2.0%
4.76	0.6	0.1%	0.1%	0.03	0.5	0.1%	0.1%
6.43	0.7	0.9%	0.9%	0.02	0.5	0.7%	0.9%
5.60	0.7	1.1%	1.1%	0.01	0.5	0.8%	1.1%
1.39	0.5	0.5%	0.5%	0.02	0.5	0.4%	0.6%

Table 4: Factor Scores by Jurisdiction

Jurisdiction	BASELINE ALLOCATION: Share of Bay Area Households in Year 2050 (A)	FACTOR: ACCESS TO HIGH OPPORTUNITY AREAS (AHOA)			
		FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
		RAW AHOA FACTOR SCORE	AHOA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY AHOA FACTOR (A * B)	
Unincorporated Napa	0.3%	13.2%	0.6	0.2%	0.2%
Unincorporated San Mateo	0.8%	44.7%	0.9	0.8%	0.8%
Unincorporated Santa Clara	1.1%	42.0%	0.9	1.0%	1.1%
Unincorporated Solano	0.4%	0.0%	0.5	0.2%	0.2%
Unincorporated Sonoma	2.1%	5.9%	0.6	1.1%	1.2%
Union City	0.7%	12.6%	0.6	0.4%	0.5%
Vacaville	0.8%	0.0%	0.5	0.4%	0.4%
Vallejo	1.2%	0.0%	0.5	0.6%	0.6%
Walnut Creek	1.1%	92.2%	1.4	1.6%	1.7%
Windsor	0.3%	0.0%	0.5	0.1%	0.2%
Woodside	0.1%	98.1%	1.5	0.1%	0.1%
Yountville	0.0%	0.0%	0.5	0.0%	0.0%
REGION TOTAL				92.83%	100%

FACTOR: JOB PROXIMITY - AUTO (JPA)				FACTOR: JOB PROXIMITY - TRANSIT (JPT)			
FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%	FACTOR PREPARATION			FACTOR DISTRIBUTION: ADJUSTED BASELINE RESCALED TO 100%
RAW JPA FACTOR SCORE	JPA FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPA FACTOR (A * B)		RAW JPT FACTOR SCORE	JPT FACTOR SCORE RESCALED TO 0.5-1.5 RANGE (B)	BASELINE ADJUSTED BY JPT FACTOR (A * B)	
1.88	0.6	0.2%	0.2%	0.00	0.5	0.1%	0.2%
2.24	0.6	0.5%	0.5%	0.04	0.5	0.4%	0.6%
9.50	0.8	0.8%	0.8%	0.07	0.5	0.5%	0.7%
1.94	0.6	0.2%	0.2%	0.02	0.5	0.2%	0.3%
1.75	0.6	1.1%	1.1%	0.01	0.5	1.0%	1.4%
9.14	0.8	0.6%	0.5%	1.09	0.6	0.4%	0.6%
2.18	0.6	0.5%	0.5%	0.15	0.5	0.4%	0.6%
6.28	0.7	0.8%	0.8%	0.15	0.5	0.6%	0.8%
9.19	0.8	0.9%	0.8%	0.39	0.5	0.6%	0.8%
3.76	0.6	0.2%	0.2%	-	0.5	0.1%	0.2%
17.35	1.0	0.1%	0.1%	0.04	0.5	0.0%	0.0%
1.82	0.6	0.0%	0.0%	0.08	0.5	0.0%	0.0%
		103.28%	100%			72.96	100%

Table 5: RHNA Allocation by Jurisdiction, with Factor Components

Factor	FACTOR DISTRIBUTIONS			ALLOCATION BUILDING BLOCKS (Weights determine the share of each income group's units that is assigned to a factor, and the factor is used to geographically allocate those units)										
	(Each sums to 100%)			VERY LOW INCOME			LOW INCOME		MODERATE INCOME		ABOVE MODERATE INCOME		TOTAL	
	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO		
Factor Weight				70%	15%	15%	70%	15%	15%	40%	60%	40%		60%
Jurisdiction	100%	100%	100%	80,109	17,166	17,166	46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176
Alameda	1.2%	1.0%	0.9%	993	167	158	572	96	91	361	425	933	1,100	4,896
Albany	0.3%	0.2%	0.3%	245	36	43	141	21	25	89	91	230	234	1,154
American Canyon	0.1%	0.1%	0.1%	82	20	22	47	12	13	30	51	77	132	486
Antioch	0.6%	0.5%	0.7%	445	94	122	256	54	70	162	240	418	620	2,483
Atherton	0.1%	0.1%	0.1%	51	13	10	30	7	6	19	32	48	82	297
Belmont	0.5%	0.3%	0.2%	391	55	39	225	32	23	142	140	367	361	1,775
Belvedere	0.1%	0.0%	0.0%	42	3	4	24	2	2	15	8	40	21	162
Benicia	0.2%	0.2%	0.2%	153	35	34	88	20	19	55	88	143	227	862
Berkeley	1.9%	1.5%	2.0%	1,542	256	350	888	148	201	560	651	1,448	1,686	7,729
Brentwood	0.3%	0.3%	0.4%	267	55	73	154	32	42	97	140	251	363	1,473
Brisbane	0.4%	1.0%	0.5%	320	164	89	184	95	51	116	418	301	1,081	2,819
Burlingame	0.9%	0.7%	0.4%	740	112	74	426	65	43	269	286	695	739	3,449
Calistoga	0.0%	0.0%	0.1%	39	8	11	22	4	6	14	19	36	50	210
Campbell	0.9%	0.9%	0.7%	740	153	124	426	88	71	269	390	695	1,008	3,965
Clayton	0.2%	0.1%	0.1%	149	13	14	86	8	8	54	33	140	87	590
Cloverdale	0.1%	0.1%	0.1%	54	11	15	31	6	9	20	27	51	70	294
Colma	0.0%	0.1%	0.1%	20	10	10	12	6	6	7	26	19	67	183
Concord	0.9%	0.9%	0.9%	690	154	162	397	89	93	251	392	648	1,014	3,890
Corte Madera	0.2%	0.1%	0.1%	175	17	17	101	10	10	63	43	164	110	709

Table 5: RHNA Allocation by Jurisdiction, with Factor Components

Factor	FACTOR DISTRIBUTIONS			ALLOCATION BUILDING BLOCKS (Weights determine the share of each income group's units that is assigned to a factor, and the factor is used to geographically allocate those units)										
	(Each sums to 100%)			VERY LOW INCOME			LOW INCOME		MODERATE INCOME		ABOVE MODERATE INCOME		TOTAL	
	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO			
Factor Weight				70%	15%	15%	70%	15%	15%	40%	60%	40%		60%
Jurisdiction	100%	100%	100%	80,109	17,166	17,166	46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176
Cotati	0.1%	0.1%	0.1%	45	11	12	26	6	7	16	28	43	73	269
Cupertino	1.6%	1.3%	0.8%	1,268	222	129	730	128	74	460	563	1,191	1,457	6,223
Daly City	0.9%	1.3%	1.3%	694	232	224	399	133	129	252	589	652	1,523	4,826
Danville	0.7%	0.3%	0.3%	531	53	48	306	31	28	193	135	499	349	2,172
Dixon	0.1%	0.1%	0.1%	69	15	19	39	8	11	25	37	64	95	382
Dublin	1.1%	0.5%	0.5%	889	88	83	512	51	48	323	224	835	578	3,631
East Palo Alto	0.1%	0.3%	0.2%	94	53	32	54	31	19	34	135	89	348	889
El Cerrito	0.2%	0.3%	0.3%	179	54	56	103	31	32	65	138	168	356	1,181
Emeryville	0.2%	0.4%	0.8%	172	74	131	99	42	76	62	187	162	484	1,490
Fairfax	0.2%	0.1%	0.1%	135	10	13	78	6	7	49	26	127	68	519
Fairfield	0.8%	0.9%	1.0%	620	146	172	357	84	99	225	371	583	961	3,619
Foster City	0.6%	0.4%	0.2%	452	62	42	260	36	24	164	157	425	406	2,027
Fremont	4.1%	2.3%	2.0%	3,302	399	339	1,901	230	195	1,199	1,015	3,102	2,626	14,307
Gilroy	0.4%	0.3%	0.4%	301	47	62	173	27	36	109	119	283	307	1,462
Half Moon Bay	0.1%	0.1%	0.1%	64	12	17	37	7	10	23	31	60	81	342
Hayward	0.8%	1.2%	1.0%	601	200	179	346	115	103	218	508	565	1,315	4,151
Healdsburg	0.1%	0.1%	0.1%	62	14	17	36	8	10	23	36	59	94	360
Hercules	0.1%	0.2%	0.2%	104	30	30	60	18	17	38	77	97	200	672
Hillsborough	0.2%	0.1%	0.1%	138	18	13	80	10	7	50	45	130	115	606

Table 5: RHNA Allocation by Jurisdiction, with Factor Components

Factor	FACTOR DISTRIBUTIONS			ALLOCATION BUILDING BLOCKS (Weights determine the share of each income group's units that is assigned to a factor, and the factor is used to geographically allocate those units)										
	(Each sums to 100%)			VERY LOW INCOME			LOW INCOME		MODERATE INCOME		ABOVE MODERATE INCOME		TOTAL	
	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO			
Factor Weight				70%	15%	15%	70%	15%	15%	40%	60%	40%		60%
Jurisdiction	100%	100%	100%	80,109	17,166	17,166	46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176
Lafayette	0.5%	0.3%	0.2%	385	45	38	221	26	22	140	115	361	298	1,651
Larkspur	0.3%	0.1%	0.1%	255	23	25	147	13	15	92	58	239	151	1,018
Livermore	1.1%	0.7%	0.8%	851	123	135	490	71	78	309	311	800	806	3,973
Los Altos	0.6%	0.5%	0.3%	450	84	46	259	48	26	163	214	423	554	2,267
Los Altos Hills	0.1%	0.1%	0.1%	109	20	10	63	12	6	40	51	102	132	544
Los Gatos	0.5%	0.4%	0.2%	422	62	39	243	36	22	153	158	396	408	1,938
Martinez	0.3%	0.3%	0.3%	262	49	46	151	28	26	95	125	246	323	1,353
Menlo Park	0.7%	0.7%	0.4%	582	121	70	335	69	41	211	306	547	793	3,075
Mill Valley	0.3%	0.1%	0.1%	209	19	20	120	11	11	76	48	196	124	835
Millbrae	0.6%	0.5%	0.3%	486	83	49	280	48	28	176	210	456	543	2,359
Milpitas	1.5%	1.5%	1.1%	1,191	266	196	686	153	113	432	676	1,118	1,748	6,578
Monte Sereno	0.1%	0.0%	0.0%	41	6	4	24	4	2	15	16	39	41	191
Moraga	0.3%	0.2%	0.1%	250	28	24	144	16	14	91	72	235	187	1,062
Morgan Hill	0.2%	0.3%	0.3%	191	47	53	110	27	31	70	119	180	308	1,136
Mountain View	2.7%	2.6%	1.5%	2,178	440	258	1,254	253	149	791	1,118	2,046	2,893	11,381
Napa	0.5%	0.5%	0.6%	371	80	99	214	46	57	135	204	349	527	2,081
Newark	0.4%	0.4%	0.4%	306	75	72	176	43	41	111	192	288	496	1,801
Novato	0.5%	0.4%	0.5%	434	69	79	250	39	46	158	174	408	450	2,106
Oakland	5.2%	7.0%	8.8%	4,168	1,208	1,504	2,400	696	866	1,513	3,071	3,915	7,945	27,287

Table 5: RHNA Allocation by Jurisdiction, with Factor Components

Factor	FACTOR DISTRIBUTIONS			ALLOCATION BUILDING BLOCKS										
	(Each sums to 100%)			VERY LOW INCOME			LOW INCOME		MODERATE INCOME		ABOVE MODERATE INCOME		TOTAL	
	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO			
Factor Weight				70%	15%	15%	70%	15%	15%	40%	60%	40%		60%
Jurisdiction	100%	100%	100%	80,109	17,166	17,166	46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176
Oakley	0.2%	0.2%	0.3%	170	35	46	98	20	27	62	90	160	233	943
Orinda	0.3%	0.2%	0.1%	255	35	23	147	20	13	92	89	239	229	1,143
Pacifica	0.6%	0.3%	0.2%	465	49	43	268	28	25	169	125	437	324	1,933
Palo Alto	2.5%	2.2%	1.2%	1,995	373	205	1,149	215	118	724	949	1,874	2,456	10,058
Petaluma	0.5%	0.5%	0.5%	389	79	92	224	46	53	141	201	365	520	2,110
Piedmont	0.2%	0.1%	0.1%	129	18	19	74	11	11	47	47	121	122	599
Pinole	0.1%	0.2%	0.2%	90	26	26	52	15	15	33	66	85	171	578
Pittsburg	0.3%	0.4%	0.5%	272	69	78	157	40	45	99	174	256	451	1,639
Pleasant Hill	0.5%	0.3%	0.3%	415	56	51	239	32	29	151	142	390	368	1,874
Pleasanton	1.5%	0.7%	0.7%	1,177	114	114	678	66	66	427	290	1,105	750	4,786
Portola Valley	0.1%	0.0%	0.0%	58	7	5	34	4	3	21	18	55	46	251
Redwood City	1.2%	1.3%	0.8%	926	216	142	533	124	82	336	549	870	1,421	5,199
Richmond	0.8%	1.2%	1.1%	605	201	182	348	116	105	220	511	568	1,323	4,180
Rio Vista	0.1%	0.0%	0.1%	42	8	12	24	5	7	15	21	40	54	228
Rohnert Park	0.3%	0.3%	0.3%	212	52	58	122	30	34	77	132	199	342	1,259
Ross	0.0%	0.0%	0.0%	30	2	3	17	1	2	11	6	28	16	118
San Anselmo	0.2%	0.1%	0.1%	193	15	18	111	9	10	70	38	181	99	745
San Bruno	0.4%	0.6%	0.4%	312	106	63	180	61	37	113	269	293	696	2,131
San Carlos	0.6%	0.5%	0.3%	515	77	55	296	44	32	187	196	483	508	2,394

Table 5: RHNA Allocation by Jurisdiction, with Factor Components

Factor	FACTOR DISTRIBUTIONS			ALLOCATION BUILDING BLOCKS (Weights determine the share of each income group's units that is assigned to a factor, and the factor is used to geographically allocate those units)										
	(Each sums to 100%)			VERY LOW INCOME			LOW INCOME		MODERATE INCOME		ABOVE MODERATE INCOME		TOTAL	
	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO		
Factor Weight				70%	15%	15%	70%	15%	15%	40%	60%	40%		60%
Jurisdiction	100%	100%	100%	80,109	17,166	17,166	46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176
San Francisco	13.9%	18.0%	25.5%	11,169	3,090	4,375	6,431	1,779	2,519	4,055	7,853	10,492	20,319	72,082
San Jose	13.9%	16.7%	13.9%	11,135	2,873	2,383	6,411	1,654	1,372	4,043	7,301	10,460	18,890	66,521
San Leandro	0.5%	1.0%	0.9%	394	164	155	227	95	89	143	418	370	1,081	3,135
San Mateo	1.6%	1.5%	1.1%	1,283	254	185	739	146	106	466	645	1,205	1,668	6,696
San Pablo	0.1%	0.2%	0.2%	113	38	36	65	22	21	41	98	106	253	792
San Rafael	0.7%	0.6%	0.6%	549	97	106	316	56	61	199	247	516	638	2,785
San Ramon	1.5%	0.7%	0.6%	1,162	112	108	669	65	62	422	286	1,091	739	4,716
Santa Clara	2.7%	2.9%	2.2%	2,147	493	380	1,236	284	219	779	1,252	2,017	3,240	12,047
Santa Rosa	1.5%	1.5%	1.7%	1,177	251	299	677	144	172	427	637	1,105	1,649	6,539
Saratoga	0.6%	0.4%	0.2%	444	71	41	256	41	24	161	180	417	465	2,100
Sausalito	0.2%	0.1%	0.1%	162	22	16	93	13	9	59	56	152	144	727
Sebastopol	0.1%	0.1%	0.1%	70	17	19	40	10	11	25	42	66	109	409
Sonoma	0.1%	0.1%	0.1%	62	12	17	36	7	10	22	32	58	82	337
South San Francisco	0.7%	1.2%	0.7%	565	202	125	325	116	72	205	512	530	1,326	3,978
St. Helena	0.0%	0.0%	0.0%	31	6	9	18	4	5	11	16	29	42	172
Suisun City	0.1%	0.1%	0.2%	104	25	29	60	14	17	38	63	98	162	610
Sunnyvale	2.9%	3.1%	2.0%	2,347	533	347	1,351	307	200	852	1,354	2,204	3,503	12,998
Tiburon	0.2%	0.1%	0.1%	159	13	14	91	8	8	58	33	149	87	621
Unincorporated Alameda	1.1%	0.9%	0.9%	906	156	159	522	90	92	329	397	851	1,028	4,530

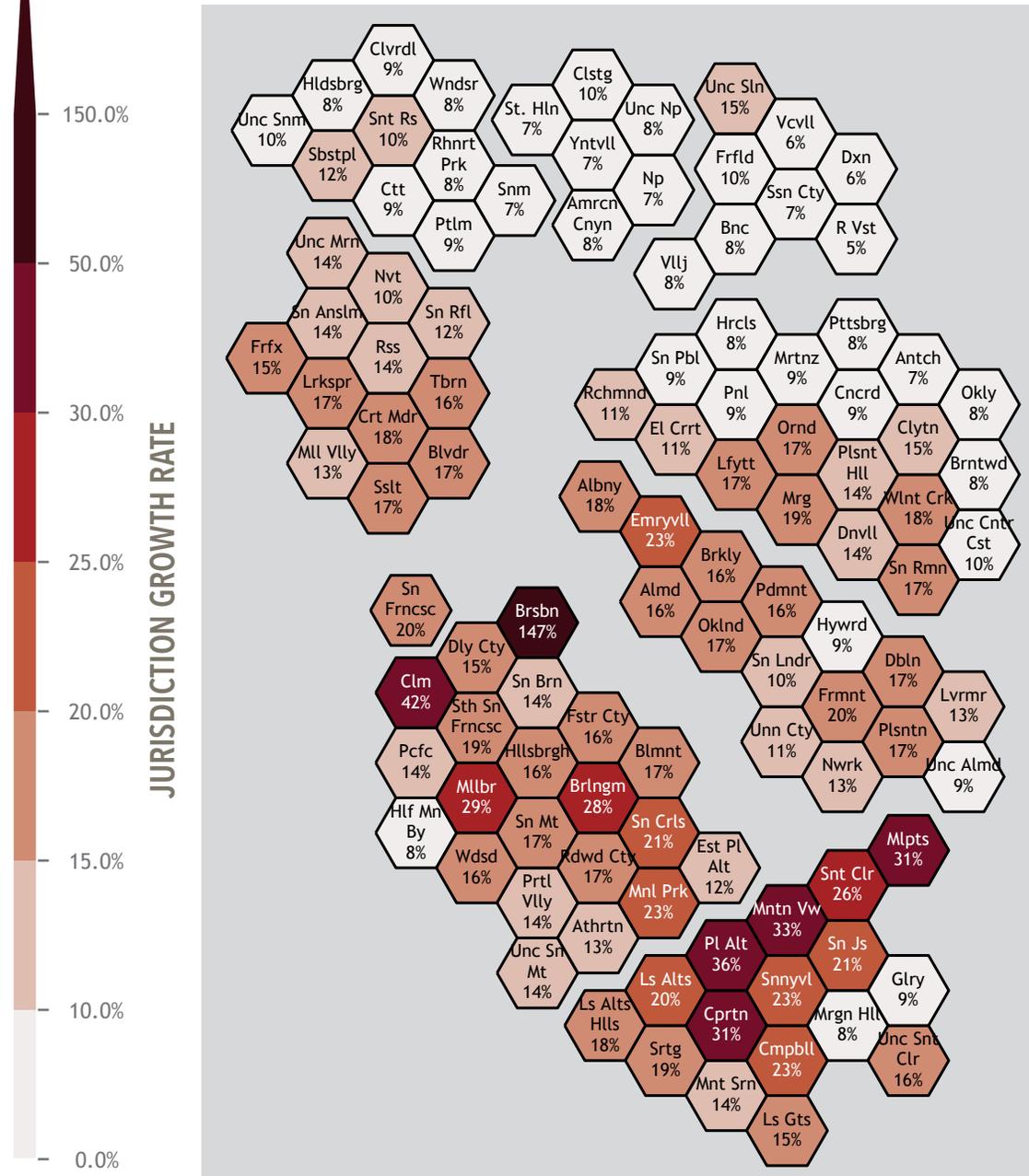
Table 5: RHNA Allocation by Jurisdiction, with Factor Components

Factor	FACTOR DISTRIBUTIONS			ALLOCATION BUILDING BLOCKS			
	(Each sums to 100%)			(Weights determine the share of each income group's units that is assigned to a factor, and the factor is used to geographically allocate those units)			
	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	VERY LOW INCOME			
Factor Weight			70%	15%	15%		
Jurisdiction	100%	100%	100%	80,109	17,166	17,166	
Unincorporated Contra Costa	1.5%	1.1%	1.1%	1,229	185	195	
Unincorporated Marin	1.2%	0.5%	0.6%	972	80	105	
Unincorporated Napa	0.2%	0.2%	0.2%	157	27	34	
Unincorporated San Mateo	0.8%	0.5%	0.6%	676	78	98	
Unincorporated Santa Clara	1.1%	0.8%	0.7%	846	141	126	
Unincorporated Solano	0.2%	0.2%	0.3%	181	39	50	
Unincorporated Sonoma	1.2%	1.1%	1.4%	992	189	243	
Union City	0.5%	0.5%	0.6%	379	91	95	
Vacaville	0.4%	0.5%	0.6%	357	78	100	
Vallejo	0.6%	0.8%	0.8%	514	137	143	
Walnut Creek	1.7%	0.8%	0.8%	1,371	146	138	
Windsor	0.2%	0.2%	0.2%	122	29	33	
Woodside	0.1%	0.1%	0.0%	73	10	7	
Yountville	0.0%	0.0%	0.0%	13	3	4	
Region				80,109	17,166	17,166	

ALLOCATION BUILDING BLOCKS							TOTAL
LOW INCOME			MODERATE INCOME		ABOVE MODERATE INCOME		
ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	JOB PROXIMITY – TRANSIT	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	ACCESS TO HIGH OPPORTUNITY AREAS	JOB PROXIMITY – AUTO	
70%	15%	15%	40%	60%	40%	60%	
46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176
708	107	113	446	471	1,155	1,218	5,828
559	46	61	353	204	913	527	3,820
91	15	20	57	68	148	175	791
389	45	56	245	198	635	513	2,934
487	81	73	307	357	794	925	4,138
104	22	29	66	99	170	256	1,017
571	109	140	360	480	932	1,241	5,254
218	53	55	138	232	356	601	2,219
206	45	57	130	198	336	512	2,018
296	79	82	186	349	482	903	3,171
790	84	80	498	371	1,288	959	5,724
70	17	19	44	74	115	190	713
42	6	4	26	25	68	65	325
8	2	2	5	7	13	19	75
46,124	9,884	9,884	29,085	43,627	75,252	112,878	441,176

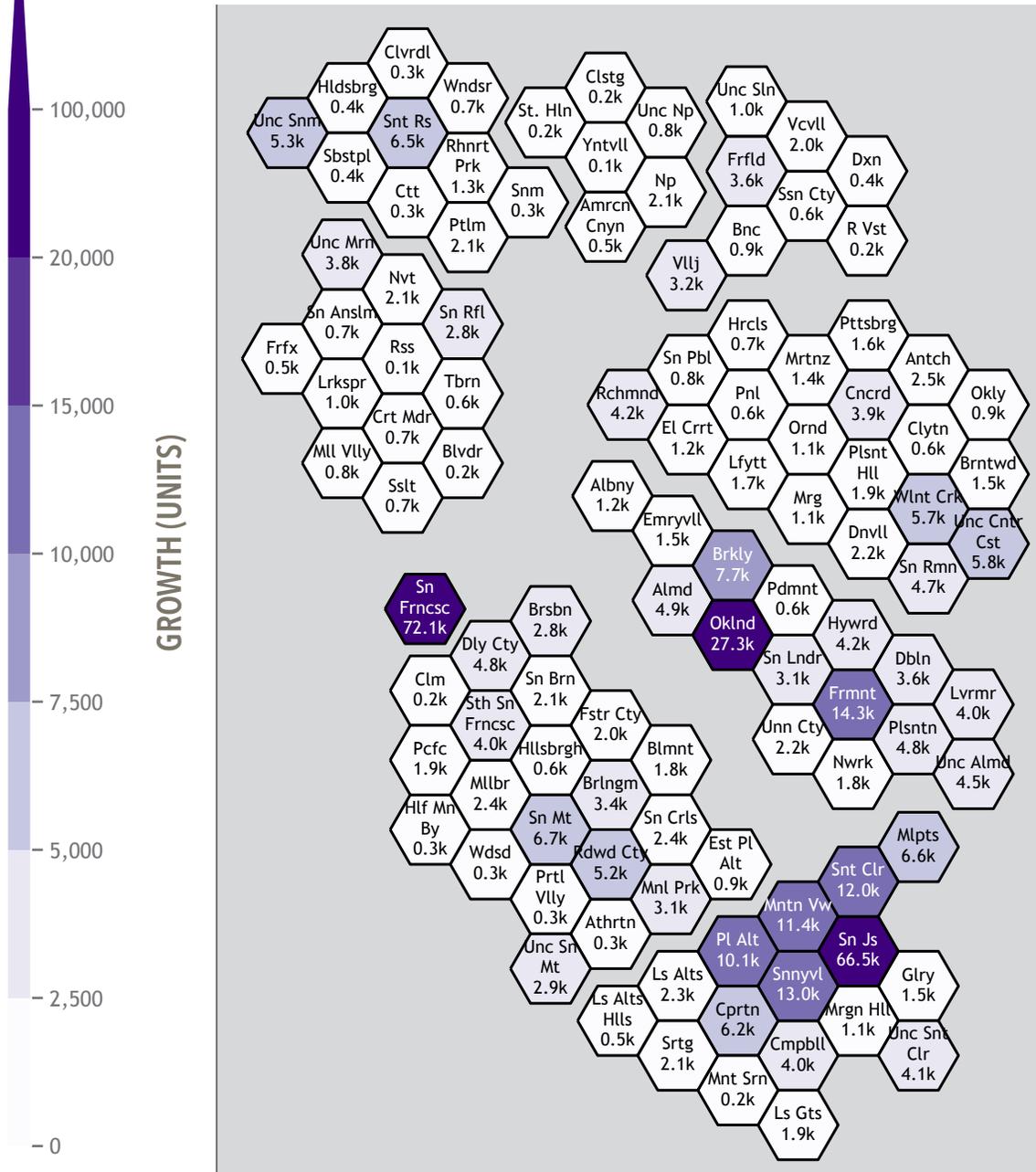
Note: the jurisdiction-specific shown allocations are for illustrative purposes only (refer to Schedule and Process diagram on page 7 for additional steps in determining final allocations).

Figure 2: Illustrative Allocations from Proposed RHNA Methodology
 Jurisdiction growth rate from 2019 households as a result of 2023-2031 RHNA



Note: The ABAG Executive Board and MTC Commission adopted changes to the strategies for the Plan Bay Area 2050 Final Blueprint in September 2020. The changes adopted at that time will affect information about total households in Year 2050 from the Final Blueprint; updated data will be available in

Figure 2: Illustrative Allocations from Proposed RHNA Methodology
Jurisdiction total allocation of 2023-2031 RHNA



December 2020. As this information from the Blueprint is used as the baseline allocation for the proposed RHNA methodology, updates in the Final Blueprint could lead to changes in the ultimate allocations. Data from the Final Blueprint will be integrated into the Draft RHNA Methodology slated for the end of 2020.

RHNA STATUTORY OBJECTIVES AND FACTORS

As noted previously, Housing Element Law requires the RHNA methodology to further five objectives that recognize the importance of comprehensively planning for housing in ways that also promote equity, strengthen the economy, improve connections between jobs and housing, and protect the environment. The statutory objectives, and the ways in which the Bay Area’s proposed RHNA methodology meets them, are described below.

RHNA Objectives

OBJECTIVE 1 – “increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low-income households.”

The methodology furthers this objective by allocating a share of the region’s housing need across all income categories to all jurisdictions in the Bay Area. As a result, all jurisdictions receive an allocation of very low- and low-income units. The methodology allocates these units equitably, as the methodology allocation factors direct very low- and low-income units based primarily on a jurisdiction’s access to opportunity. Accordingly, jurisdictions with the most residents living in census tracts

designated as High Resource or Highest Resource on the California Tax Credit Allocation Committee (TCAC) 2020 Opportunity Map receive a higher share of their allocation as lower-income units than other jurisdictions in the region (see **Appendix 2**).

As shown in **Appendix 2**, jurisdictions with the highest housing costs also receive a higher share of their allocation as lower-income units than other jurisdictions in the region. Because jurisdictions must zone at higher densities to accommodate their allocations of low- and very-low-income units, the methodology will result in both greater affordability and a more diverse range of housing types throughout the region, particularly in the jurisdictions that currently lack affordable housing opportunities.

OBJECTIVE 2 – “Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region’s greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.”

The intent of this objective is consistent with many of the strategies integrated into Plan Bay Area 2050. The proposed methodology incorporates the Plan Bay Area 2050 Blueprint as the data source for the baseline allocation used to assign each jurisdiction a beginning share of the RHND, using each jurisdiction’s share of the region’s households in the year 2050. In effect, this

baseline allocation takes into consideration a jurisdiction's existing total number of households plus its household growth from the Blueprint.

The Plan Bay Area 2050 uses the UrbanSim 2.0¹⁵ model to analyze a wide variety of land use data, such as access to jobs, services, and other destinations as informed by Plan Bay Area 2050 transportation investments. Therefore, the Blueprint prioritizes housing growth in three types of growth geographies, Priority Development Areas nominated by local jurisdictions, Transit-Rich Areas with lower greenhouse gas emissions potential, and High-Resource Areas with excellent access to jobs, schools, and more. The growth geographies in the Blueprint also exclude areas with high wildfire risk and areas outside urban growth boundaries. Accordingly, the methodology's use of Plan Bay Area 2050 results in an allocation that promotes infill development, protects environmental and agricultural resources, and reduces the region's greenhouse gas emissions.

The inclusion of job proximity by both automobile and transit as factors in the RHNA methodology complements the use of Plan Bay Area 2050 as the baseline allocation to further this objective. These factors direct more housing to the jurisdictions with the most jobs that can be accessed with a 30-minute commute by automobile or a 45-minute commute by transit. The inclusion of the Job Proximity - Transit factor encourages growth that capitalizes on the Bay Area's existing transit infrastructure, while the Job Proximity - Auto factor recognizes that most people in the region commute by automobile. Encouraging shorter



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commutes for all modes of travel is an important strategy for reducing greenhouse gas emissions.

As shown in **Appendix 2**, the proposed methodology results in jurisdictions with the most access to jobs and transit as well as jurisdictions with the lowest vehicle miles traveled per resident experiencing higher growth rates from their RHNA allocations than other jurisdictions in the region. Therefore, the methodology furthers the sustainability goals represented by this objective. The proposed methodology also promotes socioeconomic equity by expanding the range of housing choices available in all jurisdictions throughout the Bay Area with a particular emphasis on adding homes affordable to lower-income residents in jurisdictions with high resource areas to promote socioeconomic mobility.

OBJECTIVE 3 – “Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.”

The use of the Plan Bay Area 2050 Blueprint as the baseline allocation in the proposed RHNA methodology directs housing toward employment centers, as the plan’s growth geographies are more clustered in areas with strong access to job centers. Plan Bay Area 2050 also includes strategies related to increased housing densities and office development subsidies to address jobs-housing imbalances in the region.



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Moreover, the allocation factors in the proposed RHNA methodology focus entirely on job proximity and access to opportunity. Seventy percent of very low- and low-income units are allocated based on jurisdictions’ access to opportunity according to the TCAC 2020 Opportunity Map methodology, which incorporates proximity to jobs filled by workers with less than a bachelor’s degree. The remaining 30 percent of the lower-income units are allocated based on jurisdictions’ proximity to jobs. Furthermore, 60 percent of the region’s moderate- and above moderate-income units are allocated based on jurisdictions’ proximity to jobs.

As a result of differences in how units are distributed across income categories in the RHND, the proposed RHNA methodology allocates 48 percent of all units based on the factors related to job proximity. Thus, the methodology promotes an improved relationship between jobs and housing. As shown in **Appendix 2**, the

proposed methodology results in jurisdictions with the most imbalanced jobs-housing fit (or, ratio between the number of low-wage jobs and the number of housing units affordable to low-wage workers) receiving a higher share of lower-income units than other jurisdictions.

OBJECTIVE 4 – “Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.”

The proposed RHNA methodology allocates 70 percent of very low- and low-income units based on a jurisdiction’s access to opportunity according to the TCAC 2020 Opportunity Map methodology, which scores jurisdictions partially based on their poverty rates and median home values. Consequently, jurisdictions with the most households in High Resource or Highest Resource census tracts have disproportionately large shares of higher-income residents and relatively small shares of lower-income residents. The proposed methodology furthers Objective 4 by allocating lower-income units directly to these jurisdictions with the most access to resources. As a result, the jurisdictions with the largest percentage of households with incomes above 120 percent of the area median income receive a significantly higher share of their RHNA as lower-income units than the jurisdictions with the largest percentage of households with incomes below 80 percent of area median income (see **Appendix 2**).

OBJECTIVE 5 – “Affirmatively furthering fair housing, which means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.”

The proposed RHNA methodology affirmatively furthers fair housing by emphasizing access to opportunity based on the data from the TCAC 2020 Opportunity Map. The Access to High Opportunity Areas factor assigns 70 percent of the region’s very low- and low-income units and 40 percent of the region’s moderate- and above moderate-income units.

The proposed RHNA methodology’s emphasis on affirmatively furthering fair housing is supported by the inclusion of High-Resource Areas as one of the growth geographies in the Plan Bay Area 2050 Blueprint. In the Blueprint, High-Resource areas are defined as the Census tracts identified as High and Highest Resource in the State’s Opportunity Map if they were inside a Priority Development Area (PDA) or if they were near transit in a jurisdiction that designated less than 50 percent of its PDA-eligible land as PDAs.¹⁶

As shown in **Appendix 2**, the allocations from the proposed methodology result in the jurisdictions with the highest percentage of residents living in High Resource or Highest Resource tracts in the TCAC 2020 Opportunity Map receiving a larger share of the region’s lower-income units than other jurisdictions. Additionally, jurisdictions exhibiting above-average levels of racial and economic exclusion receive a share of the region’s lower-income units that is 20 percent greater than their share of the region’s households.¹⁷ Thus, the methodology will require

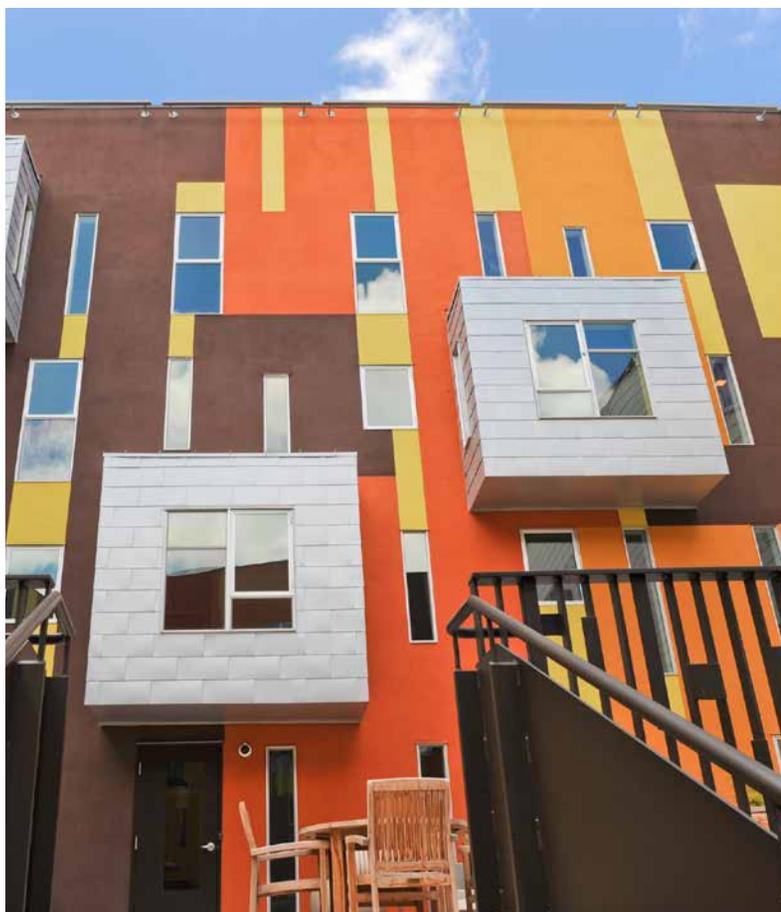
jurisdictions with the most access to opportunity to zone for a broader range of housing types, particularly housing that is affordable to lower-income households. The methodology intends to provide more housing options in high-opportunity communities for all Bay Area households.

RHNA Methodology Factors

Housing Element Law also identifies factors that ABAG must consider in developing its RHNA methodology, to the extent sufficient data is available. The statutory factors, and the ways in which the Bay Area’s proposed RHNA methodology meets them, are described below. Additionally, these factors were considered as part of the local jurisdiction survey conducted by ABAG. A summary of the results of the local jurisdiction survey, which helped provide local context on local conditions during the development of the methodology, is included as **Appendix 4**.

- 1. Each member jurisdiction’s existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.**

The proposed RHNA methodology directly incorporates each jurisdiction’s existing and projected jobs-housing



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relationship in both the baseline allocation and the allocation factors. Forecasts from Plan Bay Area 2050 inform the baseline allocation, and Plan Bay Area 2050 includes strategies related to increased housing densities and office development subsidies to address jobs-housing imbalances in the region. With these strategies, county-level jobs-to-housing ratios decrease in most counties by 2050, reflecting a higher ratio of housing to job production.

The proposed RHNA methodology amplifies the Plan Bay Area 2050 Blueprint's emphasis on improving jobs-housing balance by using factors related to job proximity to allocate nearly half of the RHND. These factors direct housing units to those jurisdictions with the most jobs that can be accessed with a 30-minute commute by automobile and/or a 45-minute commute by transit. The combination of the Access to High Opportunity Areas factor and job proximity factors for allocating lower-income RHNA units intends to enable more Bay Area workers to reside closer to their jobs, with an emphasis on providing more affordable housing in jurisdictions with the largest imbalance between low-wage jobs and housing affordable to low-wage workers.

The proposed methodology helps to create a more balanced relationship between housing and jobs by directing RHNA units to job-rich jurisdictions and jurisdictions with the most imbalanced jobs-housing fit. As shown in **Appendix 2**, jurisdictions with the largest share of the Bay Area's jobs receive allocations that result in the highest growth rates compared to the rest of the jurisdictions in the region. Additionally, the jurisdictions

with the worst jobs-housing fit receive a larger share of their RHNA as affordable housing than other jurisdictions and receive a share of the RHND that is 21 percent greater than their share of the region's households.

2. The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

- a. **Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.**
- b. **The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood**

management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

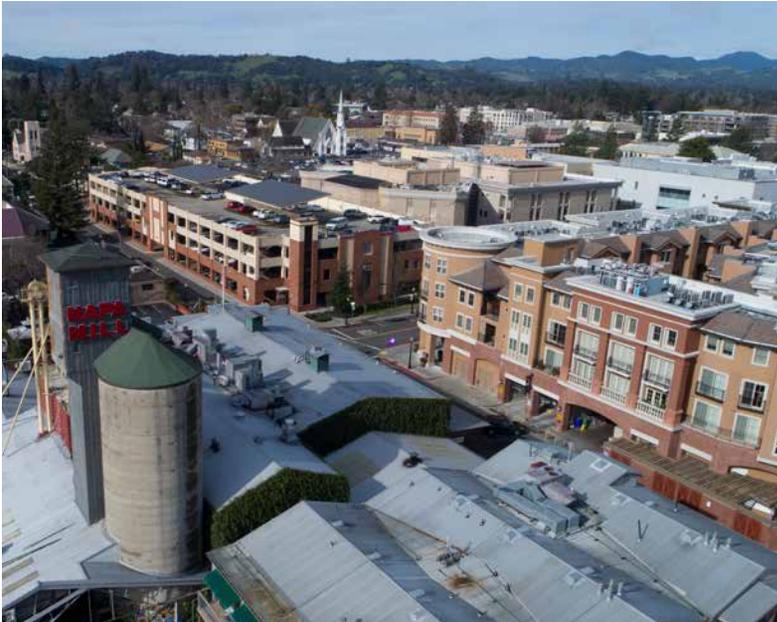
- c. Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.**
- d. County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.**

The opportunities and constraints to housing development are addressed through the incorporation of the Plan Bay Area 2050 Blueprint as the baseline allocation in the proposed RHNA methodology. In developing the Plan Bay Area 2050 Blueprint, ABAG-MTC staff worked with local governments to gather information about local plans, zoning, physical characteristics and potential development opportunities and constraints for each jurisdiction. This

information is an input into the UrbanSim 2.0 model that uses a simulation of buyers and sellers in local real estate markets to estimate housing feasibility. In assessing feasibility, the UrbanSim 2.0 model also integrates the higher cost of building on parcels with physical development constraints, e.g., steep hillsides. Protected park land and open space are excluded from development in the model.

However, the Blueprint does not limit a jurisdiction's housing allocation based on local plans or zoning. The UrbanSim 2.0 model is used to forecast expanded growth potential in growth geographies identified in the Blueprint, such as Transit-Rich Areas and High Resource Areas. This allows additional feasible growth within the urban footprint by increasing residential densities and expanding housing into areas currently zoned for commercial and industrial uses.

The Plan Bay Area 2050 Blueprint also excludes areas outside urban growth boundaries and areas with unmitigated high hazard risk from additional growth. Existing urban growth boundaries, which take a variety of forms across the region but are relatively common in the Bay Area, help not only to protect prime agricultural lands from development, but also parks and open space as well. Land outside urban growth boundaries also tends not to have urban services such as sewer and water. The Blueprint also incorporates strategies to protect high-value conservation lands, including matching funds to help conserve high-priority natural and agricultural lands.



3. The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

As noted above, the proposed RHNA methodology’s baseline allocation directly incorporates the forecasted development pattern from Plan Bay Area 2050, the Bay Area’s Regional Transportation Plan/Sustainable Communities Strategy. The growth geographies in Plan Bay Area 2050 emphasize access to transit, both in locally nominated Priority Development Areas and in regionally identified Transit-Rich Areas. This land use pattern is developed with complementary transportation investments in an effort to ensure past and future transportation investments are maximized

The proposed RHNA methodology builds on the transit-focused development pattern from Plan Bay Area 2050 by also allocating 15 percent of the region’s very low- and low-income units based on a jurisdiction’s proximity to jobs that can be accessed by public transit. Thus, the methodology will encourage higher-density housing in jurisdictions with existing transit infrastructure, which can maximize the use of public transportation in these communities. Similarly, the results in **Appendix 2** demonstrate that the jurisdictions with the largest share of the region’s Transit Priority Area (TPA)¹⁸ acres experience significantly higher growth rates from the proposed methodology than other jurisdictions. The 25 jurisdictions with the most TPA acreage grow by 19 percent on average as a result of allocations from the proposed methodology. All other jurisdictions grow by 12 percent on average. The jurisdictions with the most access to public transit receive the most growth from the proposed methodology, which will encourage the use of public transportation and existing transportation infrastructure.

4. Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that prohibits or restricts conversion to nonagricultural uses.

Use of the Plan Bay Area 2050 Blueprint as the RHNA baseline integrates several key strategies related to agricultural preservation. First, the growth pattern in

the Blueprint is significantly driven by the urban growth boundaries strategy which maintains all existing urban growth boundaries, without any expansion, over the lifespan of the long-range plan. Second, this strategy is supported by an agricultural land preservation strategy that helps to acquire land for permanent agricultural use.

At the same time, because urban growth boundaries often extend outside of existing city limits, there remains a limited amount of unincorporated county growth in the Plan Bay Area 2050 Blueprint.¹⁹ It is important to note that Housing Element Law includes a provision that allows a county to transfer a portion of its RHNA allocation to a city if land is annexed after it receives its RHNA allocation from ABAG.²⁰



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5. The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

Comprehensive data about the loss of assisted housing units is not available for all Bay Area jurisdictions in a consistent format. Jurisdictions that provided information on this topic as part of the survey of local jurisdictions often relied on internal data sources. Twenty-seven percent of survey respondents stated their jurisdiction had lost subsidized affordable housing units in the past 10 years, and 32 percent noted they expected to lose units in the next 10 years. Given the lack of consistent data, this topic was not included as a specific factor in the proposed RHNA methodology. The loss of assisted housing units for lower-income households is an issue that would best be addressed by local jurisdictions when preparing their Housing Elements. ABAG proposes to include available data in its preapproved data package as a starting point for supporting local jurisdictions in addressing this issue.

6. The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

During the consultation process for the RHND, ABAG worked with HCD to compare the Bay Area's share of cost-burdened households to comparable regions throughout the United States. The comparison used data

from the 2012-2016 Comprehensive Housing Affordability Strategy (CHAS) to evaluate cost burden for lower-income and higher-income households. The averages of these cost burdens by income group formed the basis for an adjustment that was included in the RHND.²¹

The data analysis prepared for the RHND indicated that approximately 66 percent of Bay Area households earning less than 80 percent of the Area Median Income (AMI) are cost-burdened, while 16 percent of households earning above 80 percent AMI are cost-burdened. The prevalence of cost burden as a concern for many Bay Area households was confirmed by the results of the survey sent to local jurisdictions, where 51 respondents (72 percent) indicated that high housing costs and high rates of cost burden affect housing needs in their jurisdictions.

The UrbanSim 2.0 model used to develop the Plan Bay Area 2050 Blueprint considers both housing costs and relative incomes when forecasting future growth. Moreover, Plan Bay Area 2050 incorporates multiple strategies to address housing unaffordability, including allowing a greater mix of housing types and densities in the plan's growth geographies, reducing barriers to housing near transit and in areas of high opportunity, transforming aging malls and office parks into mixed-income neighborhoods, raising additional funding for affordable housing, requiring 10 to 20 percent of new housing to be affordable, and strengthening renter protections beyond current state regulations.

The RHNA methodology further addresses cost-burdened households in the Bay Area - particularly the high

percentage of cost-burdened households earning less than 80 percent of AMI - by allocating lower-income units to all jurisdictions, particularly those with the most access to opportunity. The methodology allocates 70 percent of the region's lower-income units based on jurisdictions' access to opportunity according to the TCAC 2020 Opportunity Map.

As shown in **Appendix 2**, the jurisdictions with the highest housing costs receive a larger percentage of their RHNA as lower-income units than other jurisdictions in the region, and the jurisdictions with the most households in High or Highest Resource census tracts also receive a larger percentage of their allocations as lower-income units than other jurisdictions.

Local governments will have an opportunity to address jurisdiction-specific issues related to cost-burdened households when they update their housing elements. ABAG-MTC staff will include data on jurisdiction-specific rates of housing cost burden as part of housing data packets being prepared to assist with housing element updates.

7. The rate of overcrowding.

During the consultation process for the RHND, ABAG worked with HCD to compare the Bay Area's rate of overcrowding to comparable regions throughout the United States. The comparison used data from the 2014-2018 American Community Survey (ACS) to evaluate overcrowding. The Bay Area's overcrowding rate of 6.73 percent is nearly double the rate of comparable regions.

Consequently, ABAG's RHND includes an overcrowding adjustment.²²

Overcrowding rates are inputs into the Plan Bay Area 2050 regional growth forecast, which is used as the baseline allocation in the proposed methodology. As noted earlier, Plan Bay Area 2050 also directly incorporates multiple strategies to address housing affordability, and these strategies also seek to reduce overcrowding.

Like housing cost burden, overcrowding indicates a lack of adequate housing supply, especially housing units affordable for lower-income households. The proposed methodology seeks to expand the housing supply, and especially the supply of affordable units, within the most expensive parts of the region, which can help reduce the rates of overcrowding experienced by Bay Area households. As shown in **Appendix 2**, the proposed methodology results in the jurisdictions with the highest housing costs receiving a larger percentage of their RHNA as lower-income units than other jurisdictions and a share of the region's total RHNA that is more than 10 percent larger than their share of the region's households.

Local governments will have an opportunity to address jurisdiction-specific issues related to overcrowded households when they update their housing elements. ABAG-MTC staff will include data on jurisdiction-specific rates of overcrowding as part of housing data packets being prepared to assist with housing element updates.

8. The housing needs of farmworkers.

ABAG included questions about housing needs for the region's farmworkers in its survey of local jurisdictions, however consistent data is not available for all Bay Area jurisdictions. ABAG's proposed RHNA methodology incorporates this factor through its emphasis on proximity to jobs, which includes agricultural jobs. As shown in **Appendix 2**, the proposed methodology also results in jurisdictions with the most low-wage jobs per housing unit affordable to low-wage workers receiving higher percentages of affordable housing compared to other jurisdictions in the region. As a result, jurisdictions with larger farmworker housing need will be expected to provide more very low- and low-income units to meet this demand.

9. The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

Responses to questions from ABAG's Local Jurisdiction Survey about housing demand created by postsecondary educational institutions indicate a need for better data collection on this issue. Despite the lack of precise data on this topic at the local level, the housing needs generated by postsecondary institutions are incorporated into Plan Bay Area 2050, which directly informs the baseline allocation of the proposed RHNA methodology. The Regional Growth Forecast projects the number of households and group quarters residents, some of whom are students. Additionally, the local growth patterns

developed for Plan Bay Area 2050 using UrbanSim consider the presence of major universities as well as these institutions' residential and non-residential pipeline projects. Moreover, the RHNA methodology allocates nearly half of all units based on proximity to jobs, and postsecondary education institutions tend to be significant job centers. Therefore, the methodology will allocate more housing to jurisdictions near community colleges or public and private universities, which will result in additional housing units that can enable these jurisdictions to address the housing needs of students, faculty, and staff at these institutions.

10. The housing needs of individuals and families experiencing homelessness.

Comprehensive jurisdiction-level data about individuals and families experiencing homelessness is not available for all Bay Area jurisdictions in a consistent format. As a result, this topic was not included as a specific factor in the proposed RHNA methodology. However, the methodology does consider the housing needs of individuals and families experiencing homelessness by allocating very low- and low-income units to all jurisdictions throughout the region. As the RHNA methodology focuses on access to opportunity and proximity to jobs, the methodology can help ensure that housing targeted toward people experiencing homelessness can enable them to access employment and other essential resources for stability and economic mobility. Furthermore, ABAG will encourage all local jurisdictions to adequately plan for the needs of those experiencing homelessness in their housing elements.



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11. The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

ABAG received two responses in the survey of local jurisdictions that identified the number of units lost during declared states of emergency. The City of Santa Rosa indicated that 3,043 housing units were lost on October 8, 2017 and that, as of February 2020 when the survey was conducted, 2,323 units had been completed or were in the construction/permitting process. The County of Sonoma stated the unincorporated county lost 2,200 units in the 2017 Sonoma Complex Fires and 1,235 units had been rebuilt or were under construction as of February 2020. The County also lost 176 units in the 2019 Kincadee fire and 4 were in the process of being rebuilt as of February 2020. Unincorporated Napa County also reported to the California Department of Finance (DOF) that it lost 587 housing units in during the wildfires that took place in 2017.

In developing the RHND, HCD analyzed Bay Area jurisdictions' annual reports to DOF and found that the ten-year annual average rate of demolitions for the Bay Area is 0.40 percent of the housing stock. The RHND included HCD's minimum replacement adjustment of 0.5 percent, which exceeds the region's demolition rate. This adjustment added 15,120 housing units to the RHND. Since the demolition adjustment in the RHND included significantly more units than were lost, it was not necessary

to include a specific factor in the proposed methodology to address the loss of units.

12. The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

Plan Bay Area 2050, which is used as the baseline allocation in the proposed RHNA methodology, includes a diverse range of strategies to reduce greenhouse gas emissions, including:

- Focusing more housing growth in areas near high-quality public transit and in high-resource communities near job centers
- Redeveloping aging malls and office parks in mixed-income communities
- Vastly expanding the amount of funding for production and preservation of affordable housing
- Focusing more job growth near high-quality public transit, especially in housing-rich communities to address jobs-housing imbalance
- Investing in new local and regional rail lines, express buses, local bus systems, and more to serve communities across the Bay Area
- Investing in world-class bicycle and pedestrian infrastructure in all communities to enable neighborhood trips to be completed without a car.

The greenhouse gas reduction forecasts in Plan Bay Area 2050 are subject to the review of the State Air Resources Board. When complete in December 2020, the Final



Blueprint is intended to meet the 19 percent per-capita target set for this planning cycle.

Additionally, the proposed RHNA methodology's allocation factors focus on locating housing near jobs. As a result, as shown in **Appendix 2**, jurisdictions with the most access to jobs and transit as well as those with the lowest VMT per resident experience the largest growth rates resulting from the proposed RHNA methodology's allocations.

13. Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further.

No other planning factors were adopted by ABAG to review as a specific local planning factor.

RHNA SUBREGIONS

Housing Element Law allows two or more jurisdictions to form a “subregion” to conduct a parallel RHNA process to allocate the subregion’s housing need among its members. A subregion is responsible for conducting its own RHNA process that meets all of the statutory requirements related to process and outcomes, including developing its own RHNA methodology, allocating a share of need to each member jurisdiction, and conducting its own appeals process. The subregion’s final allocation must meet the same requirements as the regional allocation: it must further the statutory objectives, have considered the statutory factors, and be consistent with the development pattern of Plan Bay Area 2050.

For the 2023–31 RHNA, subregions were formed in:

1. **Napa County:** includes City of American Canyon, City of Napa, Town of Yountville, and the County of Napa (does not include City of Calistoga or City of St. Helena)
2. **Solano County:** includes City of Benicia, City of Dixon, City of Fairfield, City of Rio Vista, City of Suisun City, City of Vacaville, City of Vallejo, and County of Solano

ABAG must assign each subregion a share of the Bay Area’s RHND, which represents the total number of units, by income category, the subregion must allocate to its member jurisdictions. Each subregion’s portion of the RHND has been removed from the units allocated by ABAG’s process for the rest of the region’s jurisdictions.



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Table 6: Draft Subregional Shares, Total Units by Income Category

Subregion	VERY LOW	LOW	MODERATE	ABOVE MODERATE	TOTAL
Napa County	912	527	557	1,440	3,436
Solano County	3,082	1,772	1,966	5,086	11,906

Note: The ABAG Executive Board and MTC Commission adopted changes to the strategies for the Plan Bay Area 2050 Final Blueprint in September 2020. The changes adopted at that time will affect information about total households in Year 2050 from the Final Blueprint; updated data will be available in December 2020. As this information from the Blueprint is used as the baseline allocation for the proposed RHNA methodology, updates in the Final Blueprint could lead to changes in the ultimate allocations, and thus the subregion shares. Data from the Final Blueprint will be integrated into the Draft RHNA Methodology slated for January 2021.

NEXT STEPS

The ABAG Regional Planning Committee and Executive Board will consider revisions to the proposed RHNA methodology and the draft subregional shares in response to feedback received during the public comment period, including the public hearing planned for November 12, 2020. In December 2020, the Plan Bay Area 2050 Final Blueprint data for the 2050 Household baseline allocation is anticipated to become available. The ABAG Regional Planning Committee and Executive Board will then weigh in on public feedback as well as updates made to integrate the Final Blueprint data. Approval of the Draft RHNA Methodology and Final Subregion Shares and submittal of the Draft RHNA Methodology to HCD is expected by January 2021.

Within 60 days, HCD will review the draft methodology and provide any findings to ABAG. The Executive Board will be asked to adopt a final methodology in spring 2021. At that time, ABAG will issue a draft allocation showing the number

of housing units, by income category, that each jurisdiction receives based on the final adopted methodology. After ABAG takes action on appeals submitted by jurisdictions or HCD, it issues the final allocation, currently slated for the end of 2021. Each local government must then revise its housing element by January 2023 to show how it plans to accommodate its portion of the Bay Area’s housing need. **Written comments will be accepted until 12:00 noon, Friday, November 27, 2020**

Written comments will be accepted until 12:00 noon, Friday, November 24, 2020 and may be submitted to the Association of Bay Area Governments and Metropolitan Transportation Commission’s (ABAG-MTC) Public Information Office via e-mail to RHNA@bayareametro.gov or via USPS at 375 Beale St, Suite 800, San Francisco, CA 94105. Please include “Proposed RHNA Methodology and Subregional Shares” in the subject line. Oral testimony will be received until the close of the public hearing on November 12, 2020.

ENDNOTES

- 1 Government Code Section 65580 covers all facets of Housing Element Law. The RHNA process is covered in Section 65584. RHNA factors are covered in Section 65584.04; objectives are covered in 65584(d).
- 2 The four income categories included in the RHND are:
 - Very Low Income: 0-50% of Area Median Income
 - Low Income: 50-80% of Area Median Income
 - Moderate Income: 80-120% of Area Median Income
 - Above Moderate Income: 120% or more of Area Median Income
- 3 Read more on the HCD Regional Housing Needs Allocation and Housing Elements web page.
- 4 More details about the RHND is available on the ABAG RHNA website (scroll to bottom of page). At this time, the RHND has been finalized by the State for the Bay Area's RHNA process.
- 5 Government Code Section 65584.01.
- 6 Government Code Section 65584(d).
- 7 Government Code Section 65584.04(m)(1).
- 8 According to Government Code Section 65584(e), affirmatively furthering fair housing means "For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws."
- 9 See State of California Government Code Section 65584.04(b)(1).
- 10 A summary of the Local Jurisdiction Survey responses is available on the ABAG website.
- 11 For letters HCD sent to other regions, see the January 2020 HMC meeting agenda packet.
- 12 Plan Bay Area 2050 is the long-range regional plan for the San Francisco Bay Area, serving as the 2021 Regional Transportation Plan/Sustainable Communities Strategy for the Bay Area
- 13 For more information on the Opportunity Map, see pages 10-13 of this document from the March 2020 HMC meeting's agenda packet.
- 14 See Government Code Section 65584(e).
- 15 Bay Area UrbanSim 2.0 is a spatially explicit economic model that forecasts future business and household locations. It forecasts future land use change (e.g., development or redevelopment) starting from an integrated base year database containing information on the buildings, households, businesses and land use policies within the region. During the simulation, Bay Area UrbanSim 2.0 forecasts the choices real estate developers make on how much, what, and where to build, based upon future-focused public policy inputs (strategies & growth geographies adopted for use in Plan Bay Area 2050). This adds additional housing units and commercial space in profitable locations (i.e., land use policies at the site allow the construction of a building that is profitable under forecast demand). Additional documentation for Bay Area UrbanSim 2.0 is available at: https://github.com/UDST/bayarea_urbansim
- 16 For purposes of designating High-Resource Areas in the Blueprint, "near transit" was defined as within 1/2 mile of a rail station, ferry terminal or bus stop with peak headways of 15 minutes or less, or within 1/4 mile of a bus stop with peak headways of 30 minutes or less.
- 17 Jurisdictions with above-average levels of racial and economic exclusion were identified based on their divergence index scores and their percentage of households above 120 percent Area Median Income. The divergence index score is a calculation of how different a jurisdiction's racial demographics are from the region's demographics. If a jurisdiction has the same racial distribution as the region, the jurisdiction's divergence index is scored at 0. The more a jurisdiction's demographics diverge from the regional distribution, the higher the divergence index score. A high score does not necessarily indicate that the jurisdiction is racially homogenous, only that its demographic profile differs markedly from the region's racial demographics. Given the multitude of racial and ethnic groups in the Bay Area, the Othering and Belonging Institute at UC Berkeley has identified the Divergence Index as the best measure of segregation in the region in part because this measure captures segregation for multiple racial groups simultaneously.
- 18 Transit Priority Areas are defined in the California Public Resources Code, Section 21099 as areas within 1/2 mile of a Major Transit stop, which could be any of the following:
 - Existing rail stations
 - Planned rail stations in an adopted Regional Transportation Plan
 - Existing ferry terminals with bus or rail
 - Planned ferry terminals with bus or rail service in an adopted Regional Transportation Plan
 - Intersection of at least two existing or planned bus routes with headways of 15 minutes or better during both the morning and evening peak periods
- 19 ABAG-MTC staff have been discussing with local jurisdictions whether there is interest in documenting local policies and agreements that require newly urbanized land to be annexed into neighboring cities. In counties where such policies are in place, year 2050 households on parcels within a sphere-of-influence would be shifted from the unincorporated county to each corresponding city the RHNA baseline. However, due to lack of consensus between corresponding cities and counties at this juncture, no such baseline adjustments have been made in the proposed RHNA methodology.
- 20 Government Code Section 65584.07.
- 21 See the June 9, 2020 letter in which HCD provided the RHND for the Bay Area.
- 22 See the June 9, 2020 letter in which HCD provided the RHND for the Bay Area.



APPENDICES

Appendix 1:
**Bay Area Regional Housing Needs
Determination Letter from HCD**

Appendix 2:
Evaluation Metrics

Appendix 3:
Illustrative Allocations

Appendix 4:
**Summary of Local Jurisdiction
Survey Results**

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

DIVISION OF HOUSING POLICY DEVELOPMENT

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Sacramento, CA 95833
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June 9, 2020

Therese W. McMillan, Executive Director
Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

Dear Therese W. McMillan,

RE: Final Regional Housing Need Determination

This letter provides the Association of Bay Area Governments (ABAG) its final Regional Housing Need Determination. Pursuant to state housing element law (Government Code section 65584, et seq.), the Department of Housing and Community Development (HCD) is required to provide the determination of ABAG's existing and projected housing need.

In assessing ABAG's regional housing need, HCD and ABAG staff completed an extensive consultation process from March 2019 through May 2020 covering the methodology, data sources, and timeline for HCD's determination of the Regional Housing Need. HCD also consulted with Walter Schwarm with the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the minimum regional housing need determination of **441,176** total units among four income categories for ABAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01. In determining ABAG's housing need, HCD considered all the information specified in state housing law (Gov. Code section 65584.01(c)).

As you know, ABAG is responsible for adopting a methodology for RHNA allocation and RHNA Plan for the projection period beginning June 30, 2022 and ending December 31, 2030. Pursuant to Gov. Code section 65584(d), the methodology to prepare ABAG's RHNA plan must further the following objectives:

- (1) Increasing the housing supply and mix of housing types, tenure, and affordability
- (2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns
- (3) Promoting an improved intraregional relationship between jobs and housing
- (4) Balancing disproportionate household income distributions
- (5) Affirmatively furthering fair housing

Pursuant to Gov. Code section 65584.04(d), to the extent data is available, ABAG shall include the factors listed in Gov. Code section 65584.04(d)(1-13) to develop its RHNA

plan, and pursuant to Gov. Code section 65584.04(f), ABAG must explain in writing how each of these factors was incorporated into the RHNA plan methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), ABAG must submit its draft methodology to HCD for review.

Increasing the availability of affordable homes, ending homelessness, and meeting other housing goals continues to be a priority for the State of California. To support these goals the 2019-20 Budget Act allocated \$250 million for all regions and jurisdictions for planning activities through the Regional Early Action Planning (REAP) and Local Early Action Planning (LEAP) Grant programs. ABAG has \$ 23,966,861 available through the REAP program and HCD applauds ABAG's efforts to engage early on how best to utilize these funds and HCD looks forward to continuing this collaboration. All ABAG jurisdictions are also eligible for LEAP grants and are encouraged to apply to support meeting and exceeding sixth cycle housing element goals. While the SB 2 Planning Grant deadline has passed, ongoing regionally tailored technical assistance is still available through that program.

In addition to these planning resources HCD encourages local governments to consider the many other affordable housing and community development resources available to local governments that can be found at <https://www.hcd.ca.gov/grants-funding/nofas.shtml>

HCD commends ABAG and its leadership in fulfilling its important role in advancing the state's housing, transportation, and environmental goals. ABAG is also recognized for its actions in proactively educating and engaging its board and committees on the RHNA process and the regional housing need, as well as creating tools to aid the public understanding in the process. HCD especially thanks Paul Fassinger, Gillian Adams, Aksel Olsen, Dave Vautin, Bobby Lu, Matt Maloney, and Elizabeth Bulgarin for their significant efforts and assistance. HCD looks forward to its continued partnership with ABAG and its member jurisdictions and assisting ABAG in its planning efforts to accommodate the region's share of housing need.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Acting Deputy Director, at megan.kirkeby@hcd.ca.gov or Tom Brinkhuis, Housing Policy Specialist at (916) 263-6651 or tom.brinkhuis@hcd.ca.gov.

Sincerely,



Megan Kirkeby
Acting Deputy Director

Enclosures

APPENDIX 1

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION ABAG: June 30, 2022 through December 31, 2030

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	25.9%	114,442
Low	14.9%	65,892
Moderate	16.5%	72,712
Above-Moderate	42.6%	188,131
Total	100.0%	441,176
* Extremely-Low	15.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et. seq.). Percents are derived based on Census/ACS reported household income brackets and county median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

APPENDIX 1

**HCD REGIONAL HOUSING NEED DETERMINATION:
ABAG June 30, 2021 through December 31, 2030**

Methodology

ABAG: PROJECTION PERIOD (8.5 years) HCD Determined Population, Households, & Housing Unit Need		
Reference No.	Step Taken to Calculate Regional Housing Need	Amount
1.	Population: December 31 2030 (DOF June 30 2030 projection adjusted + 6 months to December 31 2030)	8,273,975
2.	- <i>Group Quarters Population: December 31 2030 (DOF June 30 2030 projection adjusted + 6 months to December 31 2030)</i>	-169,755
3.	Household (HH) Population	233,655
4.	Projected Households	3,023,735
5.	+ Vacancy Adjustment (3.27%)	+98,799
6.	+ Overcrowding Adjustment (3.13%)	+94,605
7.	+ Replacement Adjustment (.50%)	+15,120
8.	- <i>Occupied Units (HHs) estimated June 30, 2022</i>	-2,800,185
9.	+ Cost-burden Adjustment	+9,102
Total	6th Cycle Regional Housing Need Assessment (RHNA)	441,176

Detailed background data for this chart is available upon request.

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Gov. Code Section 65584.01, projections were extrapolated from DOF projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institute, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons within the Household Population to form households at different rates based on American Community Survey (ACS) trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment (standard 5% maximum to total projected housing stock) and adjusts the percentage based on the region's current vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% vacancy rate and regions current vacancy rate based (**1.73%**) on the 2014-2018 ACS data. For ABAG that difference is **3.27%**.
6. Overcrowding Adjustment: In regions where overcrowding is greater than the comparable region's overcrowding rate, or in the absence of comparable region the national overcrowding rate. HCD applies an adjustment based on the amount the regions overcrowding rate (**6.73%**) exceeds the comparable region's rate (**3.60%**). For ABAG that difference is **3.13%**. Data is from the 2014-2018 ACS.

(Continued next page)

HCD REGIONAL HOUSING NEED DETERMINATION: ABAG June 30, 2021 through December 31, 2030

(Continued)

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% and 5% to the total housing stock based on the current 10-year annual average percent of demolitions the region's local government annual reports to Department of Finance (DOF). For ABAG the 10-year annual average multiplied by the length of the projection period is .40%, and the minimum **.50%** adjustment is applied.
8. Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2022).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the comparable regions, as determined by ABAG. The very-low and low income RHNA is increased by the percent difference (66.64%-66.00%= **64%**) between the region and the comparable region cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference (16.25%-13.10%=**3.15%**) between the region and the comparable region cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2012-2016 CHAS.

Overview of Performance Evaluation Metrics

The RHNA allocation methodology must meet five objectives identified in Housing Element Law.⁶ To help ensure that any proposed methodology will meet the statutory RHNA objectives and receive approval from the California Department of Housing and Community Development (HCD), ABAG/MTC staff developed a set of evaluation metrics to assess different methodology options. These metrics are based largely on the analytical framework used by HCD in evaluating the draft methodologies completed by other regions in California, as evidenced by the approval letters HCD provided to the Sacramento Area Council of Governments (SACOG), San Diego Association of Governments (SANDAG), and Southern California Association of Governments (SCAG).⁷ Other metrics reflect input from members of the Housing Methodology Committee (HMC).

In the evaluation metrics, each statutory objective has been reframed as a question that reflects the language Housing Element Law uses to define the objectives. Each statutory objective is accompanied by quantitative metrics for evaluating the allocation produced by a methodology. The metrics are structured as a comparison between the allocations to the top jurisdictions in the region for a particular characteristic - such as jurisdictions with the most expensive housing costs - and the allocations to the rest of the jurisdictions in the region. This set of metrics is currently incorporated in the RHNA online visualization tool.

Metrics Based on Lower-Income Unit Percentage vs. Metrics Based on Total Allocation

Several of the metrics focus on whether jurisdictions with certain characteristics receive a significant share of their RHNA as lower-income units. These metrics reflect HCD's analysis in its letters evaluating RHNA methodologies from other regions. However, HMC members advocated for metrics that also examine the total number of units assigned to a jurisdiction. These HMC members asserted that it is ultimately less impactful if a jurisdiction receives a high share of its RHNA as lower-income units if that same jurisdiction receives few units overall. Accordingly, each metric that focuses on the share of lower-income units assigned to jurisdictions with certain characteristics is paired with a complementary metric that examines whether those jurisdictions also receive a share of the regional housing need that is at least proportional to their share of the region's households. A value of 1.0 for these complementary metrics means that the group of jurisdictions' overall share of RHNA is proportional relative to its overall share of households in 2019, while a value below 1.0 is less than proportional.

Evaluation of Proposed RHNA Methodology

The graphs below show how well the proposed RHNA methodology performs in achieving the five statutory RHNA objectives based on the evaluation metrics.

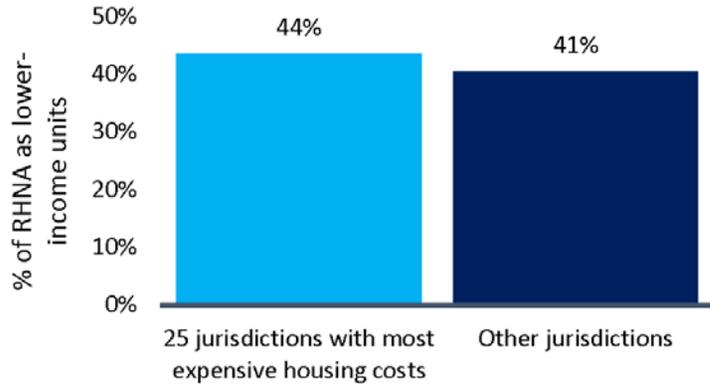
⁶ See California Government Code Section 65584(d).

⁷ For copies of letters HCD sent to other regions, see this document from the January 2020 HMC meeting agenda packet.

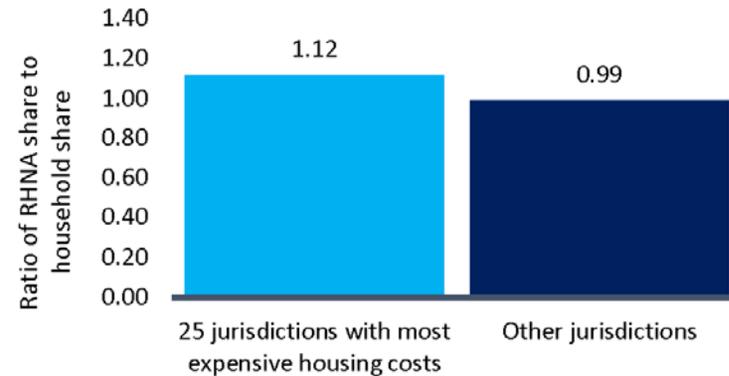
APPENDIX 2

OBJECTIVE 1: Does the allocation increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner?

Metric 1a.1: Do jurisdictions with the most expensive housing costs receive a significant percentage of their RHNA as lower-income units?

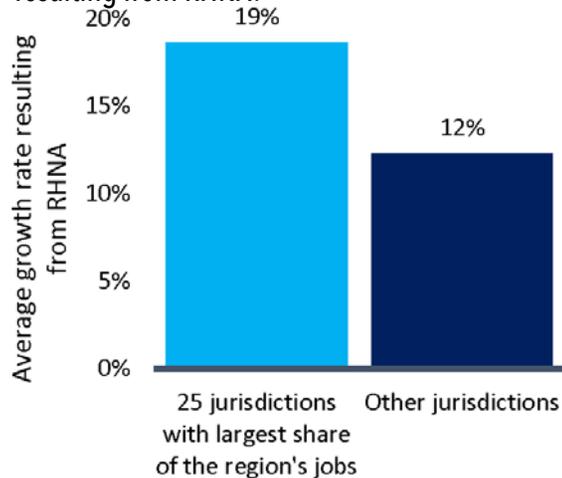


Metric 1a.2: Do jurisdictions with the most expensive housing costs receive a share of the region's housing need that is at least proportional to their share of the region's households?

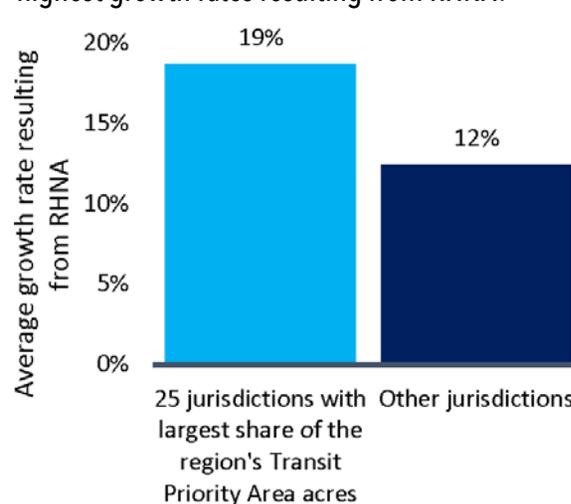


OBJECTIVE 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets?

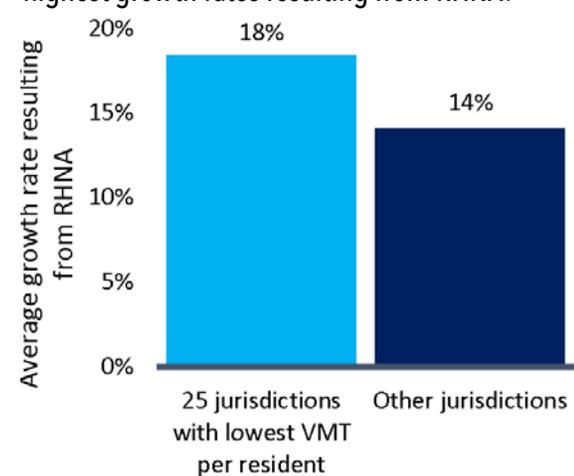
Metric 2a: Do jurisdictions with the largest share of the region's jobs have the highest growth rates resulting from RHNA?



Metric 2b: Do jurisdictions with the largest share of the region's Transit Priority Area acres have the highest growth rates resulting from RHNA?

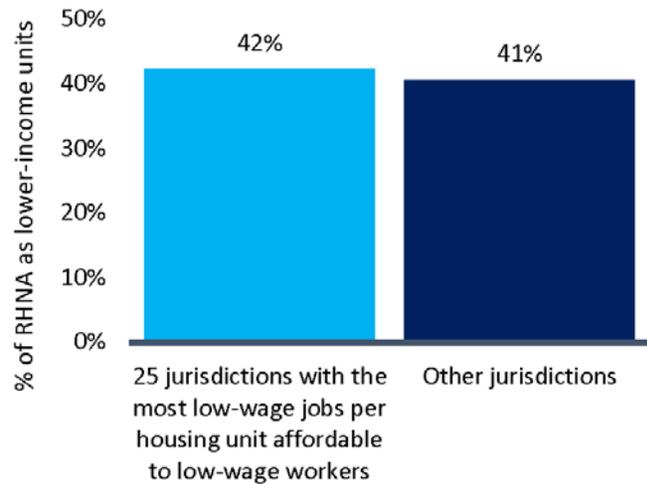


Metric 2c: Do jurisdictions with the lowest vehicle miles traveled (VMT) per resident have the highest growth rates resulting from RHNA?

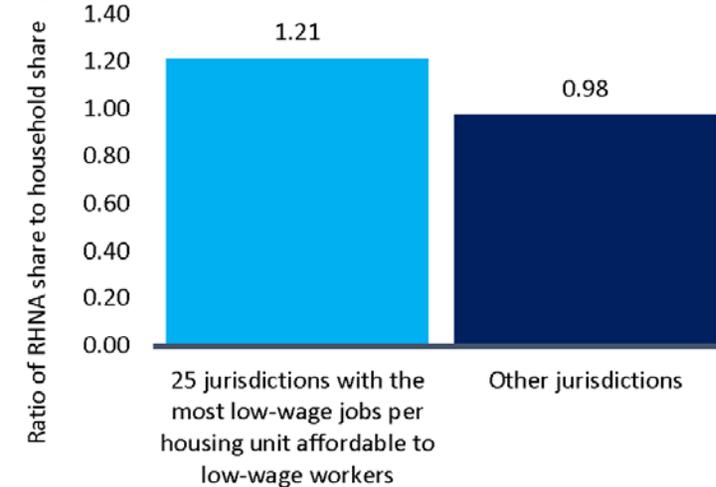


OBJECTIVE 3: Does the allocation promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low wage workers in each jurisdiction?

Metric 3a.1: Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a significant percentage of their RHNA as lower-income units?

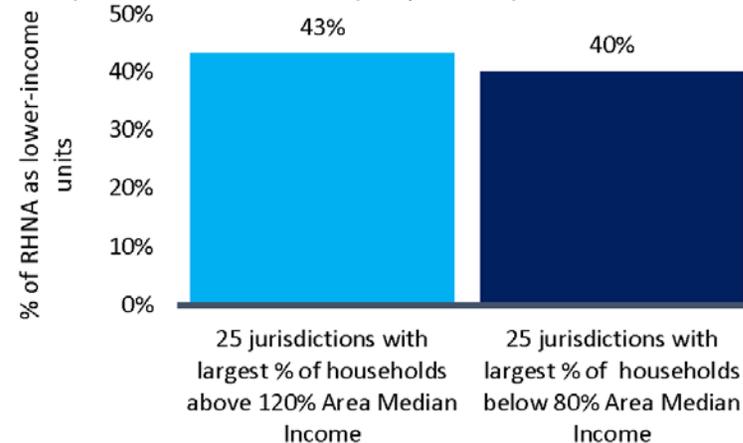


Metric 3a.2: Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a share of the region's housing need that is at least proportional to their share of the region's households?



OBJECTIVE 4: Does the allocation direct a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category?

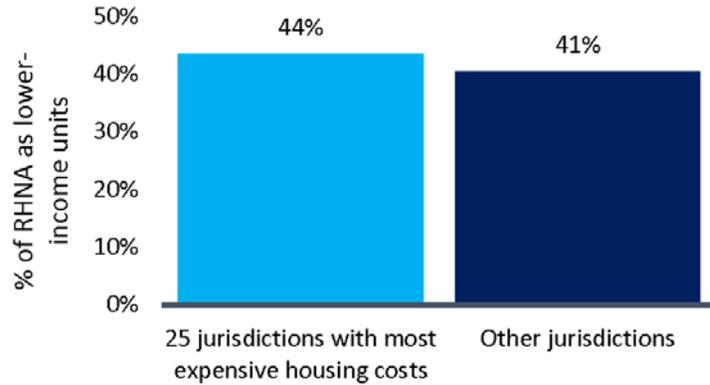
Metric 4: Do jurisdictions with the largest percentage of high-income residents receive a larger share of their RHNA as lower-income units than jurisdictions with the largest percentage of low-income residents?



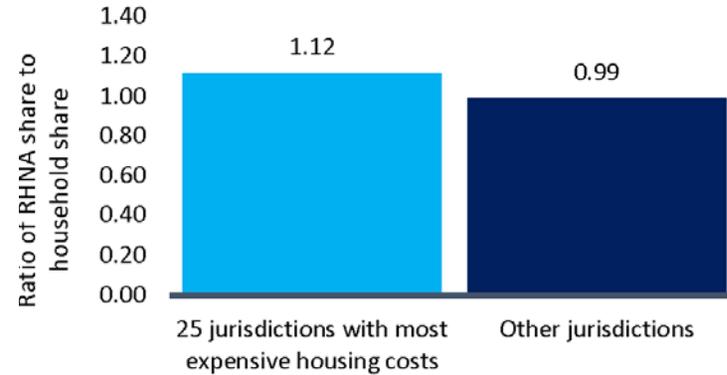
APPENDIX 2

OBJECTIVE 5: Does the allocation affirmatively further fair housing?

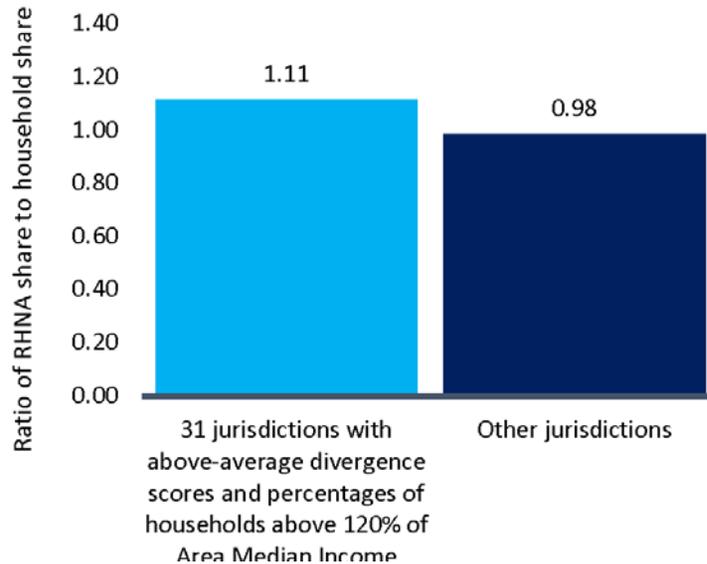
Metric 5a.1: Do jurisdictions with the largest percentage of households living in High or Highest Resource census tracts receive a significant percentage of their RHNA as lower-income units?



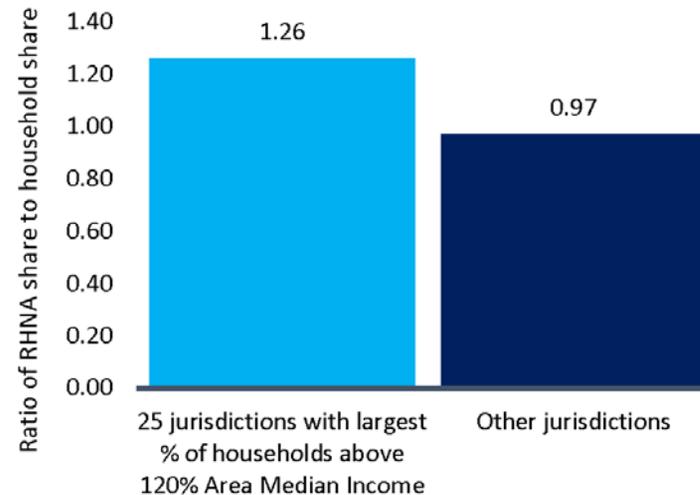
Metric 5a.2: Do jurisdictions with the largest percentage of households living in High or Highest Resource census tracts receive a share of the region's housing need that is at least proportional to their share of the region's households?



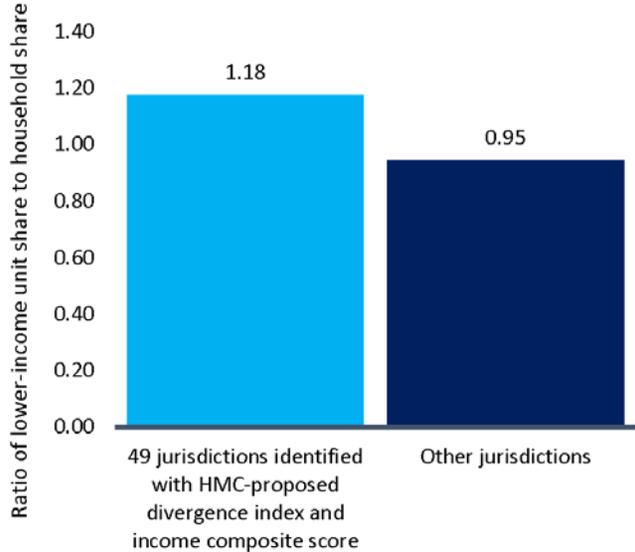
Metric 5b: Do jurisdictions exhibiting racial and economic exclusion receive a share of the region's housing need that is at least proportional to their share of the region's households?



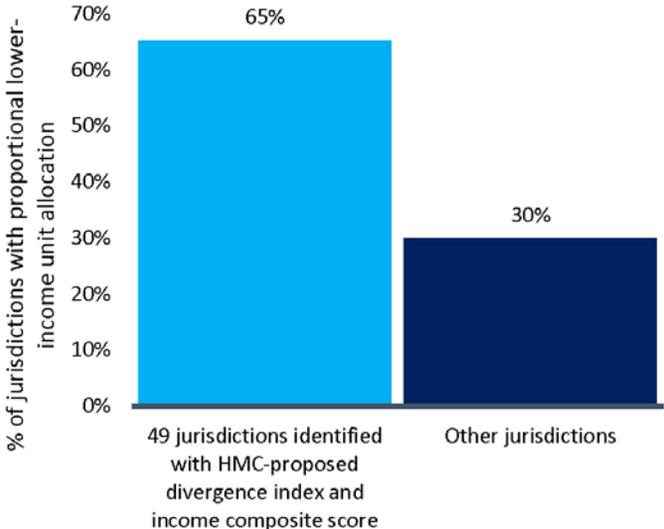
Metric 5c: Do jurisdictions with the largest percentage of high-income residents receive a share of the region's housing need that is at least proportional to their share of the region's households?



Metric 5d.1: Do jurisdictions exhibiting racial and economic exclusion above the regional average receive a total share of the region’s very low and low-income housing need that is at least proportional to their total share of the region’s households?



Metric 5d.2: Do most jurisdictions exhibiting racial and economic exclusion above the regional average receive a share of the region’s very low- and low-income housing need that is at least proportional to the jurisdiction’s share of the region’s households?



Note: These metrics use a composite score to identify jurisdictions that exhibit racial and economic exclusion that is above the regional average based on the jurisdiction’s divergence index score and the percent of the jurisdiction’s households above 120 percent of Area Median Income (AMI).

APPENDIX 3

Illustrative Allocations from the Proposed RHNA Methodology

This table shows jurisdiction allocations from the proposed RHNA methodology. These are shown for illustrative purposes only.

The ABAG Executive Board and MTC Commission adopted changes to the strategies for the Plan Bay Area 2050 Final Blueprint in September 2020. The changes adopted at that time will affect information about total households in Year 2050 from the Final Blueprint; updated data will be available in December 2020. As this information from the Blueprint is used as the baseline allocation for the proposed RHNA methodology, updates in the Final Blueprint could lead to changes in the ultimate allocations. Data from the Final Blueprint will be integrated into the Draft RHNA Methodology slated for January 2021.

ABAG will approve a Final Methodology and issue Draft Allocations in Spring 2021 which will be followed by an appeal period before ABAG issues Final Allocations by the end of 2021. Jurisdiction Housing Elements will be due to HCD by January 2023.

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
ALAMEDA COUNTY					
Alameda	1,318	759	786	2,033	4,896
Albany	324	187	180	464	1,155
Berkeley	2,148	1,237	1,211	3,134	7,730
Dublin	1,060	611	547	1,413	3,631
Emeryville	377	217	249	646	1,489
Fremont	4,040	2,326	2,214	5,728	14,308
Hayward	980	564	726	1,880	4,150
Livermore	1,109	639	620	1,606	3,974
Newark	453	260	303	784	1,800
Oakland	6,880	3,962	4,584	11,860	27,286
Piedmont	166	96	94	243	599
Pleasanton	1,405	810	717	1,855	4,787
San Leandro	713	411	561	1,451	3,136
Unincorporated Alameda County	1,221	704	726	1,879	4,530
Union City	565	326	370	957	2,218

APPENDIX 3

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
CONTRA COSTA COUNTY					
Antioch	661	380	402	1,038	2,481
Brentwood	395	228	237	614	1,474
Clayton	176	102	87	227	592
Concord	1,006	579	643	1,662	3,890
Danville	632	365	328	848	2,173
El Cerrito	289	166	203	524	1,182
Hercules	164	95	115	297	671
Lafayette	468	269	255	659	1,651
Martinez	357	205	220	569	1,351
Moraga	302	174	163	422	1,061
Oakley	251	145	152	393	941
Orinda	313	180	181	468	1,142
Pinole	142	82	99	256	579
Pittsburg	419	242	273	707	1,641
Pleasant Hill	522	300	293	758	1,873
Richmond	988	569	731	1,891	4,179
San Pablo	187	108	139	359	793
San Ramon	1,382	796	708	1,830	4,716
Unincorporated Contra Costa	1,609	928	917	2,373	5,827
Walnut Creek	1,655	954	869	2,247	5,725

APPENDIX 3

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
MARIN COUNTY					
Belvedere	49	28	23	61	161
Corte Madera	209	121	106	274	710
Fairfax	158	91	75	195	519
Larkspur	303	175	150	390	1,018
Mill Valley	248	142	124	320	834
Novato	582	335	332	858	2,107
Ross	35	20	17	44	116
San Anselmo	226	130	108	280	744
San Rafael	752	433	446	1,154	2,785
Sausalito	200	115	115	296	726
Tiburon	186	107	91	236	620
Unincorporated Marin	1,157	666	557	1,440	3,820
NAPA COUNTY					
American Canyon	124	72	81	209	486
Calistoga	58	32	33	86	209
Napa	550	317	339	876	2,082
St. Helena	46	27	27	71	171
Unincorporated Napa	218	126	125	323	792
Yountville	20	12	12	32	76
SAN FRANCISCO COUNTY					
San Francisco (city)	18,637	10,717	11,910	30,816	72,080

APPENDIX 3

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
SAN MATEO COUNTY					
Atherton	74	43	51	130	298
Belmont	485	280	282	728	1,775
Brisbane	573	330	534	1,382	2,819
Burlingame	926	534	555	1,434	3,449
Colma	40	24	33	86	183
Daly City	1,150	661	841	2,175	4,827
East Palo Alto	179	104	169	437	889
Foster City	556	320	321	831	2,028
Half Moon Bay	93	54	54	141	342
Hillsborough	169	97	95	245	606
Menlo Park	773	445	517	1,340	3,075
Millbrae	618	356	386	999	2,359
Pacifica	557	321	294	761	1,933
Portola Valley	70	41	39	101	251
Redwood City	1,284	739	885	2,291	5,199
San Bruno	481	278	382	989	2,130
San Carlos	647	372	383	991	2,393
San Mateo	1,722	991	1,111	2,873	6,697
South San Francisco	892	513	717	1,856	3,978
Unincorporated San Mateo	852	490	443	1,148	2,933
Woodside	90	52	51	133	326

APPENDIX 3

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
SANTA CLARA COUNTY					
Campbell	1,017	585	659	1,703	3,964
Cupertino	1,619	932	1,023	2,648	6,222
Gilroy	410	236	228	590	1,464
Los Altos	580	333	377	977	2,267
Los Altos Hills	139	81	91	234	545
Los Gatos	523	301	311	804	1,939
Milpitas	1,653	952	1,108	2,866	6,579
Monte Sereno	51	30	31	80	192
Morgan Hill	291	168	189	488	1,136
Mountain View	2,876	1,656	1,909	4,939	11,380
Palo Alto	2,573	1,482	1,673	4,330	10,058
San Jose	16,391	9,437	11,344	29,350	66,522
Santa Clara	3,020	1,739	2,031	5,257	12,047
Saratoga	556	321	341	882	2,100
Sunnyvale	3,227	1,858	2,206	5,707	12,998
Unincorporated Santa Clara	1,113	641	664	1,719	4,137

APPENDIX 3

Jurisdiction	VERY LOW INCOME (<50% of Area Median Income)	LOW INCOME (50-80% of Area Median Income)	MODERATE INCOME (80-120% of Area Median Income)	ABOVE MODERATE INCOME (>120% of Area Median Income)	TOTAL
SOLANO COUNTY					
Benicia	222	127	143	370	862
Dixon	103	58	62	159	382
Fairfield	938	540	596	1,544	3,618
Rio Vista	62	36	36	94	228
Suisun City	158	91	101	260	610
Unincorporated Solano	270	155	165	426	1,016
Vacaville	535	308	328	848	2,019
Vallejo	794	457	535	1,385	3,171
SONOMA COUNTY					
Cloverdale	80	46	47	121	294
Cotati	68	39	44	116	267
Healdsburg	93	54	59	153	359
Petaluma	560	323	342	885	2,110
Rohnert Park	322	186	209	541	1,258
Santa Rosa	1,727	993	1,064	2,754	6,538
Sebastopol	106	61	67	175	409
Sonoma	91	53	54	140	338
Unincorporated Sonoma	1,424	820	840	2,173	5,257
Windsor	184	106	118	305	713
TOTAL	114,442	65,892	72,712	188,130	441,176

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Summary of Local Jurisdiction Survey Results

This appendix provides information from reports presented to the Housing Methodology Committee (HMC) in March and April 2020. These reports summarized responses to the Local Jurisdiction Survey, and these summaries intended to inform the HMC’s development of the RHNA methodology. Though the HMC has concluded its work, this appendix makes reference to factors that the HMC could consider for the methodology, as the HMC was beginning to develop the RHNA methodology when the Local Jurisdiction Survey summary reports were completed.

OVERVIEW OF SURVEY PROCESS

Housing Element Law requires each Council of Government (COG) to survey its member jurisdictions during the Regional Housing Needs Allocation (RHNA) process to gather information on factors that must be considered for inclusion in the methodology.¹ Recent legislation also requires ABAG to collect information on jurisdictions’ fair housing issues and strategies for achieving fair housing goals.² ABAG staff presented the Housing Methodology Committee with a draft of the survey in November 2019. Staff revised the survey to incorporate feedback from HMC members, local jurisdiction staff, and other stakeholders, and the ABAG Regional Planning Committee approved the survey in December 2019. The survey became available online on January 8, 2020. A survey link was emailed to city managers, county administrators, community development and planning directors, and housing staff in all 109 ABAG jurisdictions. The deadline for completing the survey was February 5, 2020, at

¹ See State of California Government Code Section 65584.04(b)(1).

² See State of California Government Code Section 65584.04(b)(2).

Table 1. Local jurisdiction survey response rate by county.

COUNTY	RESPONSES	RESPONSE RATE
Alameda	9	60%
Contra Costa	14	70%
Marin	8	73%
Napa	3	50%
San Francisco	1	100%
San Mateo	14	67%
Santa Clara	13	81%
Solano	4	50%
Sonoma	7	70%

which point ABAG received 72 responses, a response rate of 66%. Table 1 shows the response rates for each of the nine Bay Area counties.

SURVEY ORGANIZATION

The survey consisted of 53 questions in two sections. Section 1 included 36 questions related to the statutory housing and land use factors. These questions were divided into four topics: Relationship Between Jobs and Housing, Housing Opportunities and Constraints, Housing Affordability and Overcrowding, and Housing Demand. Section 2 included 14 questions that collected information on local jurisdictions’ fair housing issues as well as strategies and actions for achieving fair housing goals. These questions were divided into three topics: Fair Housing Planning and Data Sources; Diversity/ Segregation, Access to Opportunity, and Housing Needs; and Fair Housing Goals and Actions.

In addition to surveying local jurisdictions on these topics, ABAG staff reviewed the fair housing reports that jurisdictions submit to the federal government if they receive block grant funding from the Department of Housing and Urban Development (HUD). Section 3 discusses common themes from Bay Area jurisdictions’ fair housing reports.

SECTION 1: SUMMARY OF RESPONSES TO HOUSING AND LAND USE QUESTIONS

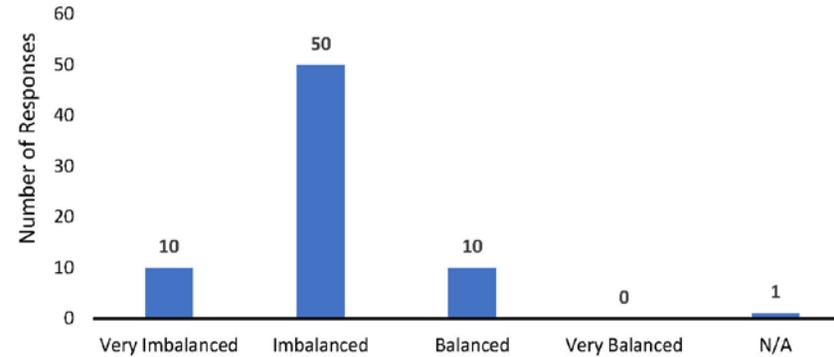
Topic 1: Relationship Between Jobs and Housing

The six questions in this topic area centered on jurisdictions’ issues related to jobs-housing fit, which measures the relationship between a jurisdiction’s low-wage jobs and homes affordable to low-wage workers. The first question presented each jurisdiction’s jobs-housing fit ratio and included a data visualization comparing a jurisdiction’s jobs-housing fit ratio to other jurisdictions throughout the region. Respondents were asked to reflect on the jobs-housing fit in their community using both their own perceptions and the data provided. Additionally, respondents had the opportunity to consider the impacts of this balance or imbalance, and they could comment on what strategies might be helpful for addressing issues related to an imbalance between low-wage workers and affordable housing.

Key Takeaways from Respondents’ Comments

Suggestions for measuring jobs-housing fit: Several jurisdictions commented the rent threshold the survey used for units affordable to low-wage workers excludes many of the deed-restricted affordable units that currently exist in their

Figure 1. How would you rate the balance between low-wage jobs and the number of homes affordable to low-wage workers in your jurisdiction? (Question 2)



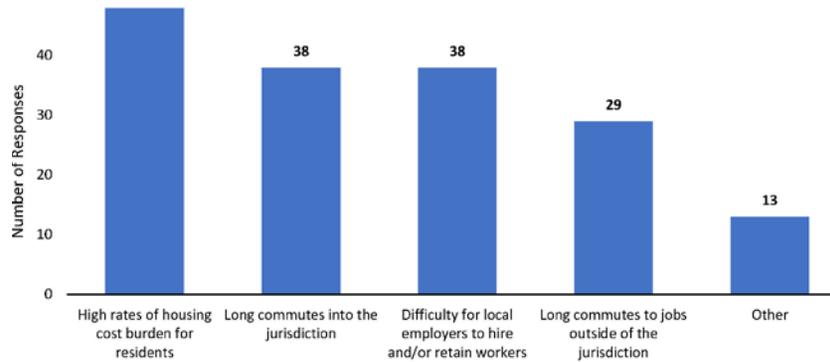
communities or are in the development pipeline. Multiple respondents provided data on the number of deed-restricted affordable units in their jurisdictions. It is worth noting that, for the jobs-housing fit factor presented to the HMC for the March 2020 meeting, the thresholds for low-wage jobs and low-cost rental units were set higher than the values used for the survey.³ However, staff and the HMC will take these survey comments into account when deciding how to define the jobs-housing fit ratio and what data sources to use if this factor is selected for the RHNA methodology.

Imbalance between low-wage jobs and affordable housing in the region: 60 jurisdictions (85%) stated the ratio between low-wage jobs and affordable homes in their jurisdiction is imbalanced or very imbalanced, while only 10 (14%) indicated their jurisdiction is balanced (see Figure 1). Responses varied by county, as no jurisdictions in Marin, San Mateo, or Santa Clara Counties reported a balance in their jobs-housing fit ratios. These same counties also contained all of the

³ For the proposed jobs-housing fit factor, the threshold for a low-wage job is set at \$3,333 per month and low-cost rental units are defined as those renting for less than \$1,500 per month.

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Figure 2. Which of the following impacts does the balance or imbalance of low-wage workers to homes affordable to low-wage workers have on your jurisdiction? (Question 4)



jurisdictions who stated their jobs-housing fit ratio is very imbalanced.

Reasons for imbalance in local jobs-housing fit ratio:

Respondents mentioned a lack of rental housing, state policy limiting deed restrictions for ADUs, high land prices, a lack of land available for development, and limited resources for producing affordable housing due to the end of redevelopment agencies as reasons for the jobs-housing fit imbalance. Multiple jurisdictions noted that, while their jobs-housing fit ratio suggested an imbalance, it was comparable to many other jurisdictions in the region, suggesting a broader regional problem. Lastly, some respondents noted potential for future improvements in their jobs-housing fit ratio based on recent rent stabilization policies, ongoing ADU production, or affordable housing units in the development pipeline.

Impacts of imbalance in local jobs-housing fit ratio:

Jurisdictions indicated that the most common impact of

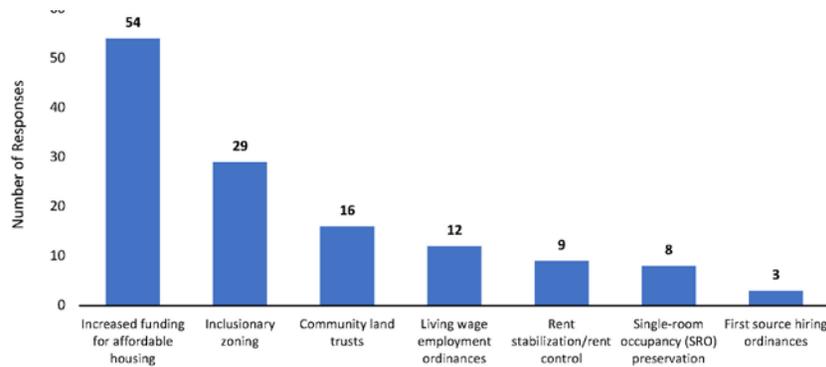
an imbalance between low-wage workers and affordable housing is high housing cost burden for residents (see Figure 2). The majority of respondents also noted impacts on employers and workers in their jurisdictions, with 38 respondents (53%) stating that the imbalance between low-wage workers and affordable housing results in long commutes into the jurisdiction and hinders employers' ability to hire or retain workers. Beyond the options listed on the survey, respondents wrote that displacement and overcrowding are also local issues related to an imbalance in jobs-housing fit.

Usefulness of jobs-housing fit data: 51% of respondents indicated their jurisdiction uses jobs-housing fit data to inform policy decisions, including:

- Updating Housing Elements, General Plans, and other long-range plans
- Revising land use policies, such as industrial zoning
- Approving development projects
- Recruiting new businesses
- Designing affordable housing policies such as inclusionary zoning, commercial linkage fees, and rent stabilization

Jurisdictions that do not use jobs-housing fit data explained why this data is not as relevant to their communities. Some noted a jobs-housing balance metric is more useful, particularly in communities where there is more housing relative to jobs. Others noted that more data collection is needed to examine jobs-housing fit issues in their jurisdiction. Lastly, some felt other data are more relevant for housing affordability issues, such as comparing overall housing cost

Figure 3. If your jurisdiction experiences an imbalance in the jobs-housing fit for low-wage workers, which of the following policies, programs, or strategies would be most helpful for your jurisdiction to implement to help address this imbalance? (Question 6)

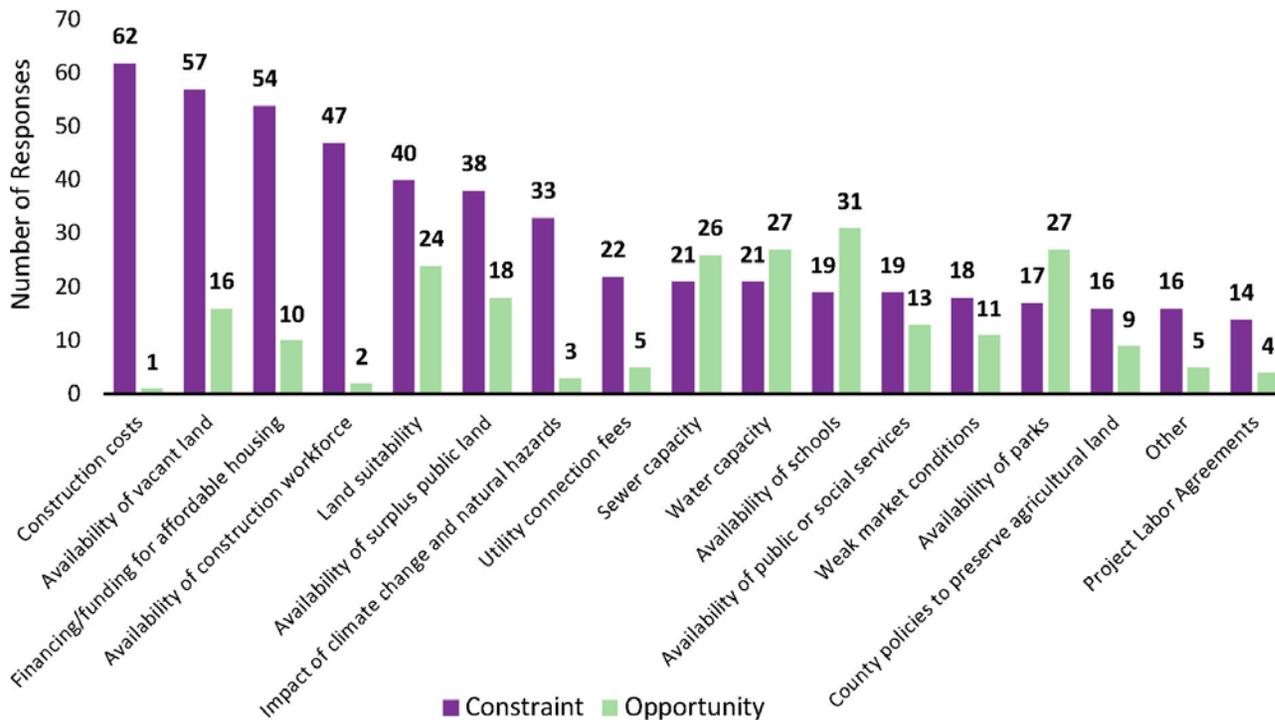


and wage data. The HMC can take these comments into account when considering jobs-housing fit as a factor in the RHNA methodology. The survey results indicate using jobs-housing fit as a RHNA factor would align with policymaking in many jurisdictions, but there are also other data sources that could potentially be a factor for the relationship between jobs, housing, and affordability.

Strategies for addressing jobs-housing fit imbalance:

Jurisdictions focused on policies to produce and preserve affordable housing to address a jobs-housing fit imbalance (see Figure 3). Increased funding for affordable housing received the most support from respondents (76%) followed

Figure 4. Which of the following apply to your jurisdiction as either an opportunity or a constraint for development of additional housing by 2030? (Question 7)



by inclusionary zoning (41%) and community land trusts (23%). Beyond the options listed on the survey, jurisdictions commented that they support the following strategies:

- Policies to encourage production of ADUs and allow for rent-restrictions in ADUs

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- Increased housing density
- Policies to incentivize affordable housing production, such as density bonuses
- Funding to acquire and preserve affordable housing that currently exists on the market without subsidy

Topic 2: Relationship Between Jobs and Housing

The seven questions within this topic area focused on factors within jurisdictions that create opportunities or constraints for developing more housing. These questions also focus specifically on opportunities and constraints for encouraging jobs and housing near transit, developing housing near job centers, and minimizing greenhouse gas emissions.

Key Takeaways from Respondents' Comments

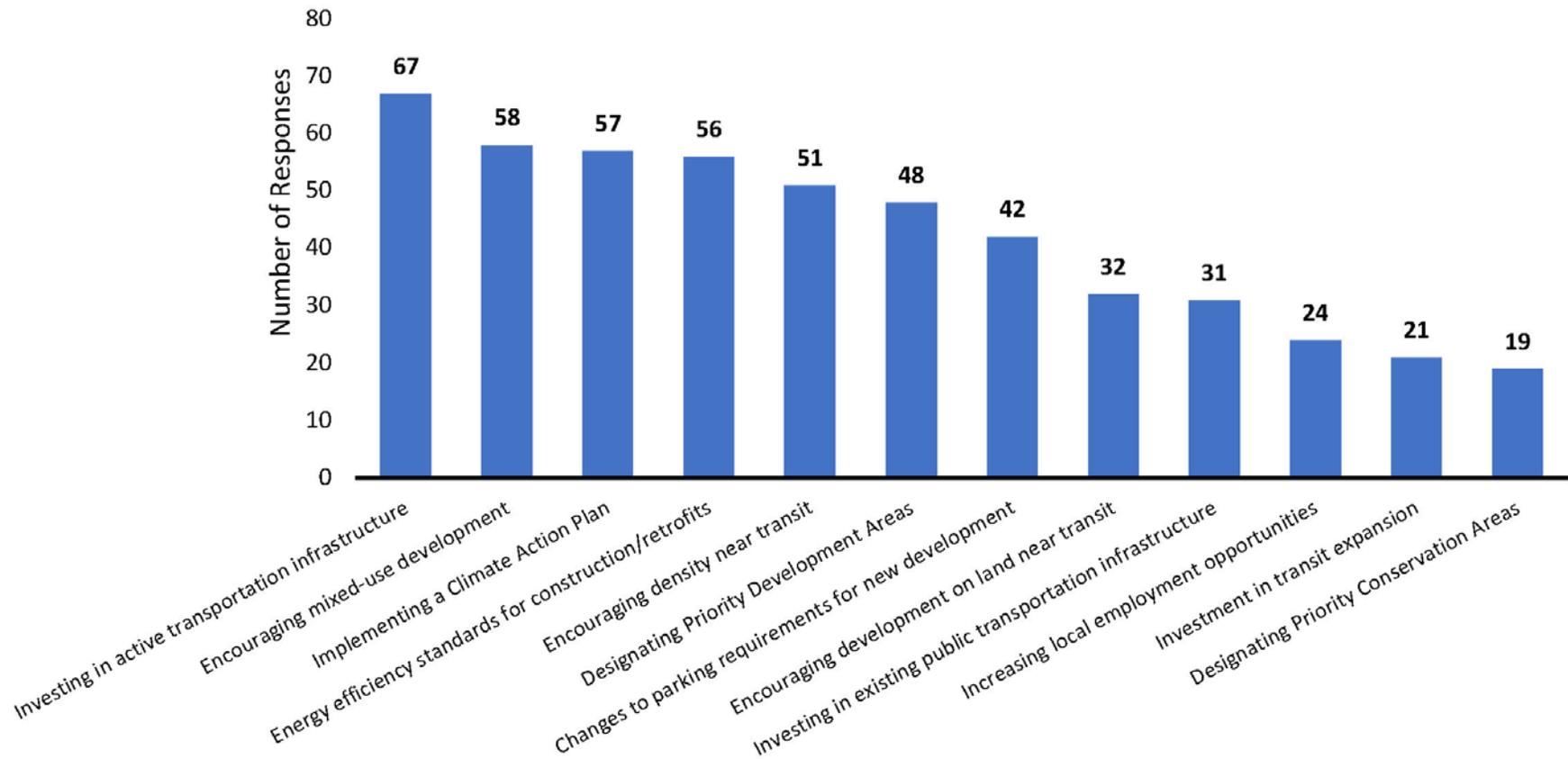
Opportunities and constraints for developing housing:

Jurisdictions' constraints for developing new housing centered on issues related to costs and land. Nearly all respondents (87%) cited construction costs as a constraint (see Figure 4 on page A21). Other constraints reported by more than 50% of jurisdictions were the availability of vacant land, funding for affordable housing, availability of construction workforce, land suitability, and availability of surplus public land. There was less of a regional consensus around opportunities for developing housing, with no single factor being cited as an opportunity by most respondents. Factors considered to be opportunities related largely to infrastructure and community amenities, with the most common opportunities being the availability of schools, availability of parks, water capacity, and sewer capacity. These four factors were also the only factors listed more commonly as opportunities than as constraints.

Opportunities and constraints for encouraging housing near transit and jobs: 57 jurisdictions (80%) stated they encounter opportunities or constraints in encouraging jobs and housing near existing transportation infrastructure, while 50 (70%) reported having opportunities or constraints for encouraging housing near job centers. In their responses to these questions, jurisdictions reported a mix of both opportunities and constraints for developing housing near jobs and transit, with some respondents noting that both opportunities and constraints exist simultaneously in their jurisdictions. Jurisdictions in Alameda, Contra Costa, Marin, Napa, and San Mateo counties noted that specific plans for areas around bus and rail transit centers provide opportunities for greater density and mixed-use development near transportation infrastructure, which can encourage housing near jobs and transit. Similarly, jurisdictions in Santa Clara County discussed how rezoning efforts near job centers can create opportunities for more housing near jobs.

Some of the obstacles listed by jurisdictions echo what was mentioned in the previous questions related to opportunities and constraints for developing housing in general: limited vacant land, high construction costs, and construction labor shortage. Additionally, jurisdictions throughout the region stated that a lack of existing transit service prevents them from encouraging jobs and housing near public transportation infrastructure. Likewise, respondents across the region also noted that their jurisdictions lack job centers, which prevents them from locating housing near jobs. Lastly, some jurisdictions noted that while they do have job centers, the land near these jobs is not zoned to allow for residential construction.

Figure 5. What land use policies or strategies has your jurisdiction implemented to minimize greenhouse gas emissions? (Question 13)



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Strategies for reducing greenhouse gas (GHG) emissions:

Seven of the policies listed in this question have been adopted by a majority of respondents. The most widespread strategy (94% of respondents) is investing in active transportation infrastructure to support biking and walking (see Figure 5 on page A23). Other popular strategies for reducing GHG emissions include encouraging mixed-use development and density near transit, adopting energy efficiency standards for new construction, designating Priority Development Areas, and changing parking requirements. This information could potentially assist staff and the HMC in designing a RHNA methodology that satisfies the statutory objective to encourage efficient development patterns and achieve GHG reduction targets.

Topic 3: Housing Affordability and Overcrowding

The eight questions within this topic area discussed issues jurisdictions face related to high housing costs, data jurisdictions use to assess these issues, and barriers that jurisdictions face in meeting their RHNA targets for lower-income households.

Key Takeaways from Respondents' Comments

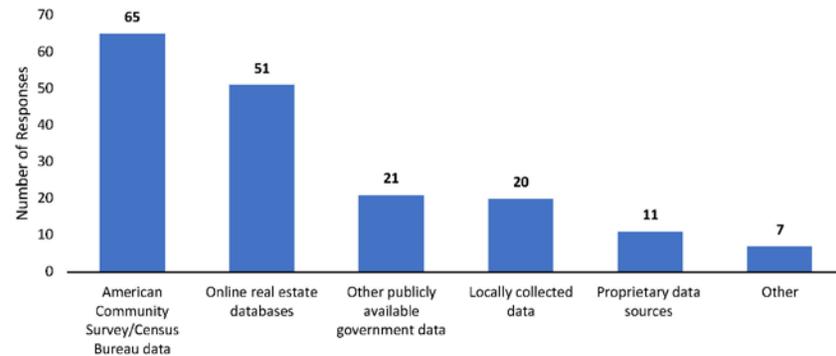
Policymaking related to housing costs and overcrowding: 51 respondents (72%) have considered impacts of housing costs and high rates of rent burden⁴ on residents. However, only 33 respondents (46%) stated they have considered the impacts of overcrowding on residents. Specifically, jurisdictions noted they examine issues related to housing costs and overcrowding when updating their Housing Elements,

completing Consolidated Planning processes required by HUD, and creating affordable housing policies such as inclusionary zoning and rent stabilization.

Data collection on housing costs and homelessness:

Jurisdictions largely rely on Census Bureau data (65 respondents, 92%) and online real estate databases, such as Zillow or Trulia (51 respondents, 72%), to examine housing costs (see Figure 6). 30% of jurisdictions reported

Figure 6. What data sources does your jurisdiction use to examine local trends in housing costs? (Question 16)



using publicly available data sources in addition to Census Bureau data, which included the county assessor's database, California Department of Finance data, HUD's CHAS dataset, and data provided by ABAG. Approximately 30% of respondents also reported using locally collected data such as building permit records, local rental registries, and local surveys of landlords, apartment communities, and first-time homebuyers. Lastly, about 15% of respondents use

⁴ HUD defines households as rent-burdened if they spend more than 30% of their income on rent. For more information on this measure, see https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html.

proprietary data sources to examine housing costs, which include products like CoStar, RealQuest, DataQuick, and Axiometrics.

The vast majority of respondents noted that housing costs in their jurisdiction are increasing. However, a few jurisdictions stated that prices have been stabilizing in the past year after increasing sharply in recent years, while two jurisdictions reported that rental prices declined in the past year. Also, a few jurisdictions stated that prices of for-sale homes have leveled off while rents continue to rise. In terms of data collection on homelessness, 40 respondents (56%) indicated their jurisdictions collect data on the occurrence of homelessness within their boundaries. Nearly all these jurisdictions noted their data collection on homelessness is a part of bi-annual countywide efforts related to the Point-in-Time counts required by HUD.

Barriers to meeting lower-income RHNA goals: The most common barriers to affordable housing production identified by survey respondents were gap financing and land availability. Both of these obstacles were selected by 50 respondents (70%), while no other barrier was selected by the majority of respondents

Figure 7. What are the primary barriers or gaps your jurisdiction faces in meeting its RHNA goals for producing housing affordable to very low- and low-income households? (Question 19)

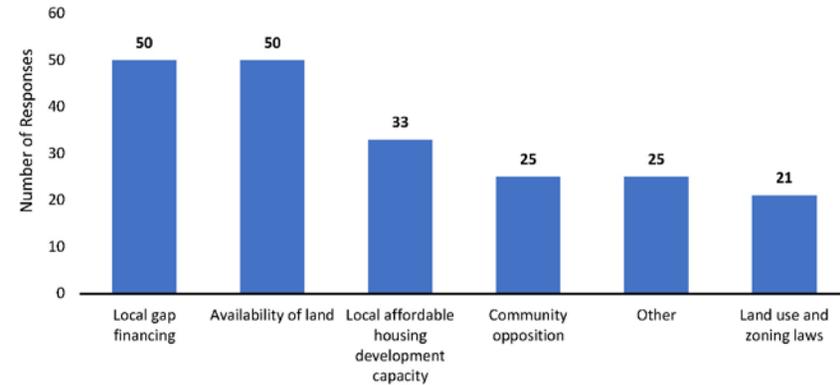
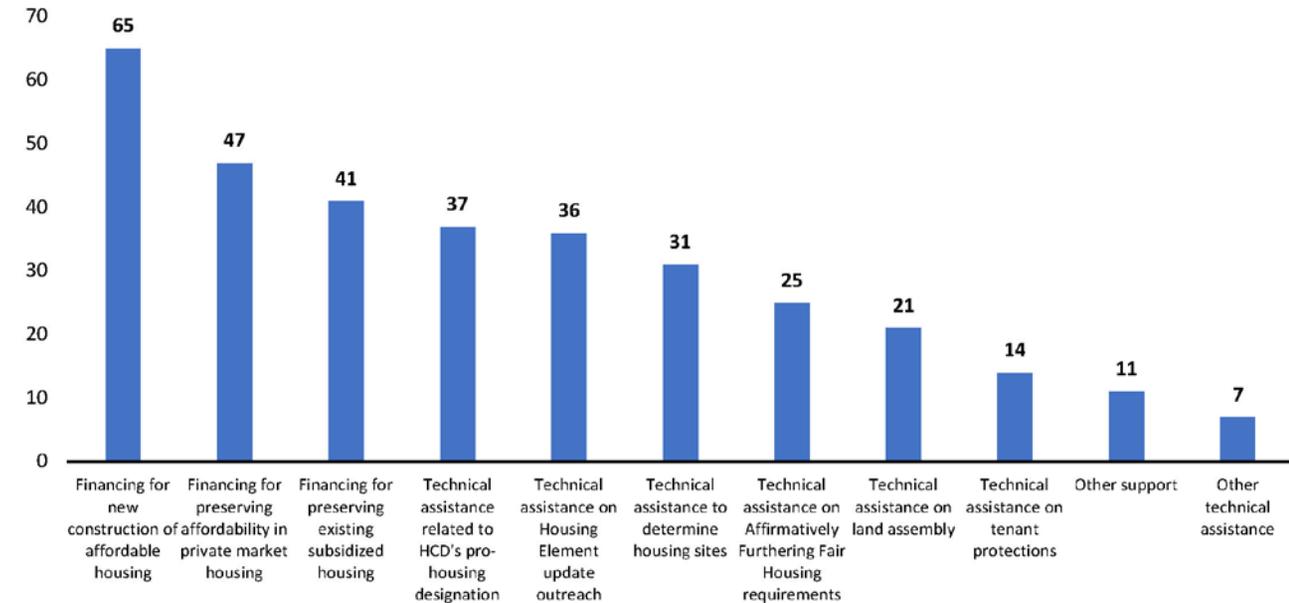


Figure 8. What types of support would your jurisdiction like to see the Bay Area Housing Finance Authority (BAHFA) provide to help your jurisdiction meet its RHNA goals and comply with the requirement to affirmatively further fair housing? (Question 21)



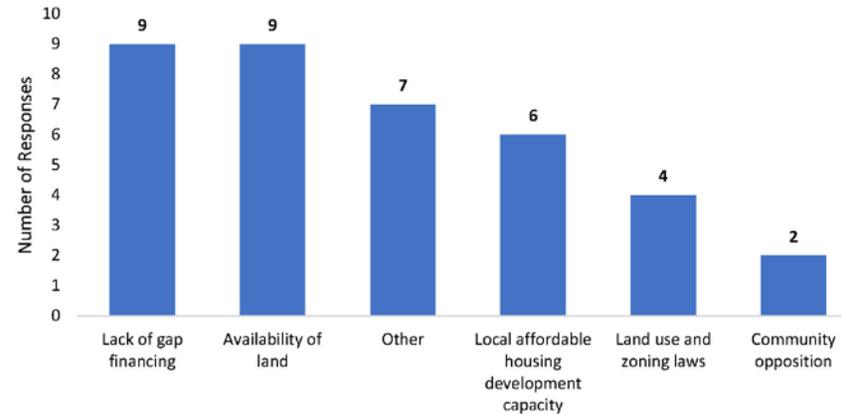
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(see Figure 7 on page A25). Other barriers identified by respondents were similar to factors mentioned in earlier questions related to obstacles to housing development generally, such as construction costs and high prices for land, materials, and labor. Respondents also mentioned a lack of funding and staff resources for the implementation of affordable housing programs, particularly due to the dissolution of redevelopment agencies.

Additionally, 20 respondents provided an estimate for how many affordable units could be built in their jurisdictions if ample gap financing was available. In total, these 20 jurisdictions estimated that 12,000 units of housing affordable to low- and very low-income households could be built if they had the necessary funding. Similarly, multiple jurisdictions stated that they would be able to accommodate their entire low- and very low-income RHNA if given the gap financing to enable construction of these affordable units. Jurisdictions' estimates for the funding needed to build these units ranged from \$200,000 to \$500,000 per unit.

Similarly, jurisdictions indicated financing for constructing new affordable housing was the support they would most desire from the Bay Area Housing Finance Authority, with 65 jurisdictions (92%) selecting this option (see Figure 8 on page A25). Financing for preservation of both subsidized affordable housing and affordable housing that exists on the market without subsidy were the next most popular options for financial support from BAHFA. Most jurisdictions also noted they would like technical assistance with complying with HCD's pro-housing designation and other state regulations, as well technical assistance for Housing Element outreach. ABAG staff may be able use the information provided from local

Figure 9. If your jurisdiction is not currently meeting the demand for farmworker housing, what are the main reasons for this unmet demand? (Question 24)



jurisdictions for designing the technical assistance programs that will be provided as part of the Regional Early Action Planning grants program.

Topic 4: Housing Demand

The 15 questions within this topic area focused on demand for housing created in jurisdictions by farmworkers, nearby postsecondary educational institutions, the loss of subsidized housing units due to expiring affordability contracts, and state-declared emergencies.

Key Takeaways from Respondents' Comments

Housing needs for the region's farmworkers: Only 16 respondents (23%) identified a need for farmworker housing in a typical year. Of those, six provided an estimate of local housing need for farmworkers, which totaled approximately 5,000 units. Data sources for estimates included interviews with farmworkers and farm owners, the USDA Census of Agriculture, Napa County Farmworker Housing Needs

Assessment, Santa Clara County Planning Department survey, and the California Employment Development Department. The most common barriers to meeting demand for farmworker housing are similar to barriers to developing affordable housing generally. Among the 16 respondents with a need for farmworker housing, the most common barriers are a lack of financing and limited availability of land (see Figure 9 on page A26).

Housing demand created by postsecondary educational institutions: Responses to questions about housing demand created by postsecondary educational institutions indicate a need for better data collection on this issue. Only 8 respondents (11%) were able to provide an estimate for this housing need. Several more jurisdictions indicated there is significant housing demand created by nearby postsecondary educational institutions, but the number of housing units needed to meet this demand is unknown. The eight jurisdictions that were able to estimate the housing demand created by postsecondary educational institutions stated that the data for their estimates came from surveys conducted by these institutions, but several more jurisdictions indicated they have not been able to obtain this information from local colleges and universities.

Loss of subsidized affordable housing: 19 respondents (27%) stated their jurisdictions had lost subsidized affordable housing units in the past 10 years due to expiring affordability contracts or other issues facing at-risk affordable housing units. Most of the data for these responses came from internal sources. Jurisdictions noted their awareness of affordable housing built with redevelopment funds that converted to

market-rate due to expiring regulatory agreements, and respondents also stated they were aware of below-market-rate units built through inclusionary housing programs that had lapsing affordability requirements.

A larger number of respondents expected to lose affordable housing units in the next 10 years, with 23 respondents (32%) noting that they anticipated these future losses. These respondents also referred to internal city records that indicated the pending expiration of regulatory agreements. Notably, one jurisdiction stated that 68% of existing below-market-rate rental units in its Below Market Rate Housing Program are set to expire in 10 years. Additionally, another respondent commented that the number of affordable units owned by for-profit owners in their jurisdiction is high according to research by the California Housing Partnership, which indicates a high risk for losing these affordable units in the future.⁵

These survey responses indicate that helping cities prevent the loss of affordable housing because of expiring affordability requirements could be a potential focus of ABAG's Regional Early Action Planning grants program. Additionally, the variety of data on at-risk affordable units collected by both individual jurisdictions and the California Housing Partnership points to a need to compile this data if the HMC were to consider using the loss of affordable units as a RHNA methodology factor.

Loss of housing units due to state-declared emergencies:

Only six respondents (8%) stated their jurisdiction had lost housing units during a state-declared emergency (such as a fire or other natural disaster) that have not been rebuilt. These

⁵ For more information on the California Housing Partnership's research on at-risk affordable housing in California, see https://1p08d91kd0c03rlxhmhtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2020/02/2020-Affordable-Homes-at-Risk_CHPC-Final.pdf.

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jurisdictions are in Napa, San Mateo, Santa Clara, Solano, and Sonoma counties. Two jurisdictions in Sonoma County were able to provide precise data on the number of units lost in recent fires. Another Sonoma County jurisdiction noted that they did not lose any housing in the fire but have experienced increased demand in housing because of lost units in surrounding communities. Additionally, two jurisdictions in Marin County noted that, while they have not lost units recently, they expect that units lost in the future due to sea level rise and increased flooding may not be replaced.

SECTION 2: SUMMARY OF RESPONSES TO FAIR HOUSING QUESTIONS

The data and information collected in the Local Jurisdiction Survey can help Bay Area jurisdictions understand the framework needed for assessing fair housing issues, which state law now requires for the next Housing Element update in 2022. Notably, several jurisdictions reported in the survey that they lack data on segregation patterns and have not previously set goals in their Housing Elements related to removing barriers to housing choice. However, this type of analysis will likely be needed for the upcoming Housing Element update.

Accordingly, the survey results can help ABAG staff identify assistance that they can offer through the Regional Early Action Planning (REAP) grants program to help local jurisdictions comply with new Housing Element requirements. Additionally, both the Local Jurisdiction Survey and the review of Bay Area jurisdictions' fair housing reports to HUD identified regional themes regarding both barriers to fair housing choice and strategies to further fair housing. This knowledge can inform how ABAG designs technical assistance and grant programs in

the future to help local jurisdictions implement successful fair housing strategies.

Topic 1: Fair Housing Planning and Data Sources

The eight questions in this topic area centered on jurisdictions' processes for assessing fair housing issues in their communities. Federal law obligates jurisdictions receiving block grant funding from HUD to submit a Consolidated Plan to HUD every five years, and this process requires jurisdictions to assess local fair housing issues (see Section 3 for more details on federally mandated fair housing reporting). While the Local Jurisdiction Survey did ask whether jurisdictions currently submit fair housing reports to HUD, all questions on the survey could be applicable to jurisdictions regardless of whether they participate in federal fair housing reporting. This portion of the survey also asked about the data jurisdictions use for fair housing planning and the efforts they have made to elicit public participation in their fair housing planning processes.

Key Takeaways from Respondents' Comments

Fair housing reporting to HUD: According to the results of the local jurisdiction survey, 37 respondents (51%) have submitted a fair housing report to HUD. Because these reports are submitted as part of five-year planning cycles, most of these jurisdictions recently submitted a report for the years 2020-2025 or are currently working on a report for this cycle, though a few jurisdictions' Consolidated Plans are on a different timeline. While some reports are submitted to HUD by individual jurisdictions, this reporting can also be completed as a collaborative effort between a county government and local jurisdictions within the county.

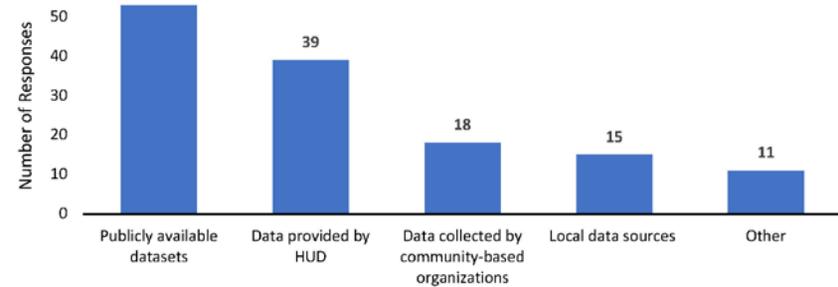
Data sources for fair housing planning processes:

Jurisdictions primarily rely on publicly available datasets (e.g. data from the Census Bureau) to assess fair housing issues, with 74% of respondents indicating they use this data source. The other data source that a majority of respondents reported using was data provided by HUD (see Figure 10). In addition to the options listed on the survey, respondents noted that they collect and maintain various data sources to inform fair housing planning, including rental vacancy surveys, inventories of affordable housing, landlord registries, code enforcement complaints, surveys of residents, and data from community outreach. Beyond the data collected by jurisdictions themselves, respondents also discussed using data collected by local nonprofits providing fair housing services as well as analyses prepared by county governments and Public Housing Agencies.

Community participation in fair housing processes:

Jurisdictions were most likely to use public forums to incorporate community participation in their fair housing planning, with open house community meetings (54%) and public hearings (49%) being the most common outreach activities reported by respondents. Respondents were also likely to solicit information directly from residents, with 46% using resident surveys and 39% using resident focus groups. Additionally, 40% of respondents reported consulting with stakeholder groups during fair housing planning processes (see Figure 11 on page A30). Based on information respondents shared in their surveys, jurisdictions most often worked with the following types of stakeholder groups:

Figure 10. Which of the following data sources does your jurisdiction maintain or use to assess fair housing issues in the community? (Question 39)



- School districts
- Faith-based groups
- Community-based organizations and neighborhood associations
- Advocacy organizations representing the following constituencies:
 - People of color
 - People with disabilities
 - Immigrants and people with limited English proficiency
 - Seniors
 - Youth
- Affordable housing providers and residents
- Homelessness services providers
- Housing Choice Voucher applicants
- Nonprofits providing fair housing services
- Legal aid organizations
- Healthcare and social services providers

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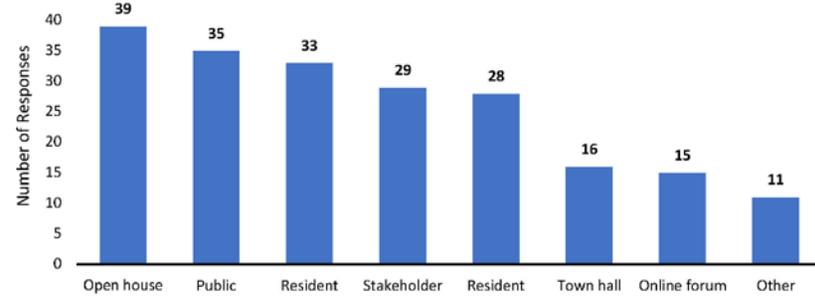
15 respondents noted that they collected demographic information for community members who participated in the fair housing planning process. This demographic data typically included data on participants' racial/ethnic background, English language proficiency, age, income, household size, and housing situation.

The survey also provided respondents with an opportunity to discuss their goals for the community outreach process and their success with achieving these goals. According to the survey responses, jurisdictions' goals for community outreach during fair housing planning can be summarized as the following:

- Gather input from a broad and diverse range of residents and community groups.
- Encourage participation from those most impacted by fair housing issues.
- Engage community members who may face barriers to participation, such as those with limited English proficiency.
- Build trust with community members and encourage future participation in planning processes.
- Ensure that federal fair housing reports and other housing planning processes reflect community conditions.
- Obtain data to effectively assess fair housing barriers.
- Develop targeted and feasible fair housing goals and strategies for achieving them.

Respondents indicated that they were largely successful in achieving their goals for community outreach during fair housing planning (see Figure 12 on page A31). Notably, one-third of respondents did not answer this question, which could

Figure 11. Which of the following outreach activities has your jurisdiction used to encourage community participation in planning processes related to fair housing? (Question 40)



indicate a hesitancy to comment on the success of community outreach efforts. It is also possible that jurisdictions who do not engage in planning processes explicitly focused on fair housing skipped this question rather than selecting "N/A." Respondents who did answer also described the reasons their jurisdictions were able to achieve their goals for the community outreach process as well as the factors that inhibited success with these goals. Table 2 on page A31 provides a summary of these reasons.

Topic 2: Diversity/Segregation, Access to Opportunity, and Housing Needs

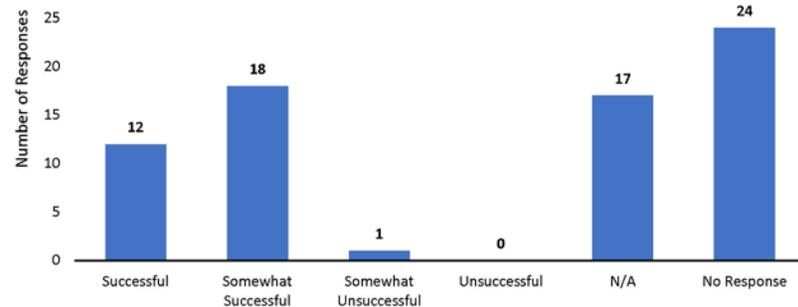
The two questions within this topic area focused on the conditions that restrict fair housing choice and access to opportunity in Bay Area jurisdictions. These questions focused on four fair housing issues: limited access to housing in a jurisdiction, segregated housing patterns and concentrated areas of poverty, disparities in access to opportunity, and disparities in housing cost burdens and overcrowding. The survey sought to contextualize respondents' answers by providing each respondent with data specific to their jurisdiction on geographic concentrations of

poverty and race-based disparities in access to opportunity, housing cost burden, overcrowding, and segregated housing patterns. For more information on the impediments to fair housing that Bay Area jurisdictions have described in their fair housing reports to HUD, see Section 3.

Key Takeaways from Respondents’ Comments

Factors contributing to fair housing issues: Respondents

Figure 12. How successful was your jurisdiction in achieving its goals for the process to elicit community participation for fair housing planning? (Question 43)



most commonly reported that fair housing issues in their jurisdictions stem from factors related to displacement, affordable housing, and barriers to development (see Table 3 on page 33A, which shows how many respondents indicated whether a factor contributes to each of the four fair housing issues). When the factors are ranked in terms of which were selected by the most jurisdictions for each fair housing issue, there are three factors among the five most selected across all four fair housing issues: community opposition to development, displacement due to increased rents, and displacement of low-income and/or person-of-color (POC)

Table 2. Describe the reasons for the success or lack of success of your jurisdiction’s community engagement efforts. (Question 44)

FACTORS ENABLING SUCCESS IN ACHIEVING COMMUNITY OUTREACH GOALS:	FACTORS PREVENTING SUCCESS IN ACHIEVING COMMUNITY OUTREACH GOALS:
<ul style="list-style-type: none"> • Reaching out to a diverse group of community stakeholders • Effective marketing efforts that broadly distributed information throughout the community • Dedicated staff and resources for the outreach and engagement process • Multiple opportunities to participate throughout engagement process • Variety of ways to participate in multiple settings (online surveys, community meetings, small group discussions, etc.) • Partnerships with nonprofit organizations providing fair housing services 	<ul style="list-style-type: none"> • Event attendees disproportionately from certain segments of the community, such as long-term homeowners • Difficulty engaging populations with less housing stability, such as renters or people experiencing homelessness • Outreach does not reflect opinions of those who have been excluded from the community due to high cost of housing • Lack of housing staff and resources • Need for a variety of participation formats as well as more outreach online and using social media • Limited time for completing a robust outreach process • Residents lacking time and resources to participate in community meetings • Lack of childcare provided at meetings • Confusion about the fair housing topics discussed at meetings

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residents. Two other factors ranked in the top five for three out of four of the fair housing issues: availability of larger affordable units and land use/zoning laws. These five factors are highlighted in Table 3 on following pages.

The survey results show the most consensus around factors contributing to limited access to housing in jurisdictions as well as disparities in housing cost burdens and overcrowding. 32 respondents (44%) indicated that the availability of larger affordable units contributes to a lack of access to housing in their jurisdiction. Additionally, displacement due to increased rents, displacement of low-income residents and/or residents of color, and community opposition to development were all listed by more than one-third of jurisdictions as contributing to limited housing access. These same four factors were also the most commonly indicated causes of disparities in housing cost burdens and overcrowding, with 42% of respondents stating that displacement due to increased rents contributes to these disparities.

For the issues of segregated housing patterns/concentrated areas of poverty and disparities in access to opportunity areas, no contributing factor was selected by more than 12 respondents (17%). However, respondents did report similar causes for these fair housing issues: displacement due to increased rents, displacement of low-income residents and/or residents of color, community opposition to development, location of affordable housing, and availability of larger affordable units.

Respondents were also asked to select the top three factors contributing to fair housing issues in their jurisdiction and to describe the reason for these selections. Below are the factors most commonly listed by jurisdictions as the main contributors to fair housing issues as well as a summary of why respondents selected these factors. The factors appear in order of how frequently they were cited by respondents as top contributors to fair housing issues, with the most frequently listed factors first.

- **Displacement:** Respondents noted that displacement disproportionately affects low-income residents and residents of color, which can result in disproportionate overcrowding for these populations. Additionally, the rising housing costs in communities affected by displacement limit opportunities for racial and socioeconomic diversity and integration.
- **Community opposition to development:** Respondents reported that residents commonly oppose denser housing, affordable housing, or housing with supportive services for formerly homeless residents. This opposition can significantly increase the time to approve new development and drives up costs for both affordable and market-rate projects.
- **Lack of affordable housing, especially larger units:** Respondents described how rising housing costs and a limited supply of affordable housing cause the displacement of low-income residents and prevent low-income households from moving into communities.
- **Land use and zoning laws:** Some respondents noted

Table 3. Which of the following factors contribute to fair housing issues in your jurisdiction? Check all that apply. (Question 45)

Factors Contributing to Fair Housing Issues	FAIR HOUSING ISSUES			
	Disparities in access to opportunity areas	Segregated housing patterns or concentrated areas of poverty	Disparities in access to opportunity areas	Disparities in housing cost burdens and overcrowding
Access to financial services	5	1	1	1
Access to grocery stores and healthy food options	3	4	7	2
Access to healthcare facilities and medical services	3	2	2	2
**Availability of larger affordable units	32	9	9	18
Availability, frequency, and reliability of public transit	20	5	8	6
CEQA and the land use entitlement process	14	4	6	6
**Community opposition to development	24	10	9	15
Creation and retention of high-quality jobs	8	0	5	7
Deteriorated/abandoned properties	2	2	0	3
**Displacement due to increased rents	30	11	9	30
Displacement due to natural hazards	3	1	1	4
**Displacement of low-income/POC residents	25	12	11	24
Foreclosure patterns	2	3	2	4
Impacts of natural hazards	8	1	2	3
Lack of community revitalization strategies	2	3	2	3
Lack of private investments in low-income/POC communities	6	6	6	5
Lack of public investments in low-income/POC communities	4	3	4	2

Continued next page

* Factors highlighted in bold with asterisks (**) are among the five most commonly selected across fair housing issues.

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Table 3. Which of the following factors contribute to fair housing issues in your jurisdiction? Check all that apply. (Question 45)

Factors Contributing to Fair Housing Issues	FAIR HOUSING ISSUES			
	Disparities in access to opportunity areas	Segregated housing patterns or concentrated areas of poverty	Disparities in access to opportunity areas	Disparities in housing cost burdens and overcrowding
Lack of regional cooperation	7	2	6	6
**Land use and zoning laws	20	10	7	9
Lending discrimination	2	2	2	4
Location of affordable housing	16	11	8	7
Location of employers	8	2	3	8
Location of environmental health hazards	2	2	0	2
Location of proficient schools and school assignment policies	3	5	6	4
Occupancy standards limiting number of people per unit	4	0	0	3
Private discrimination	4	2	2	3
Range of job opportunities available	7	0	5	5
Other	2	0	1	1

that their jurisdictions are zoned primarily or entirely for single-family housing, and respondents also mentioned restrictions on multi-family development created by minimum lot sizes, density caps, height limits, and/or minimum parking requirements. These respondents reported that low-density zones cannot accommodate affordable housing, and current land use restrictions result in limited sites for multi-family projects. Consequently, affordable development is nearly impossible in some jurisdictions, while in other jurisdictions affordable developments are concentrated in the few areas with denser

zoning. As a result, current land use and zoning codes perpetuate the segregation created by decisions of the past.

- **Barriers to development:** In addition to community opposition and land use laws, respondents described other barriers to development such as the availability of land suitable for development, the California Environmental Quality Act (CEQA) and the land use entitlement process, and the high cost of construction. Respondents discussed how their jurisdictions' approval processes for development and CEQA inhibit housing production. These respondents noted that CEQA slows down the entitlement

process and enables groups opposed to development to threaten litigation and create additional delays. The project costs created by CEQA and lengthy entitlement processes can make housing development financially infeasible, particularly for affordable projects. Survey responses indicated that these barriers to development inhibit access to these communities generally and especially for lower-income populations.

- **Location of employers:** Respondents discussed how limited job options within their jurisdictions and lack of access to job centers increase the costs of living there, as residents need to travel farther for work. Additionally, some mentioned that a lack of high-quality jobs within the jurisdiction prevents local jobholders from affording the high cost of housing.
- **Public transit availability:** Respondents suggested that a lack of public transit options inhibits those living in their jurisdiction from accessing jobs and services if they do not own a car, which makes the jurisdiction less accessible to a diverse range of households.

Topic 3: Fair Housing Goals and Actions

The four questions within this topic area discussed the actions jurisdictions have taken to remove barriers to equal housing opportunity and prevent the displacement of low-income households. Respondents were also asked to reflect on their goals for fair housing policies and whether the strategies they have implemented achieve these goals. For more information on the strategies to further fair housing that Bay Area jurisdictions have detailed in their fair housing reports to HUD, see Section 3.

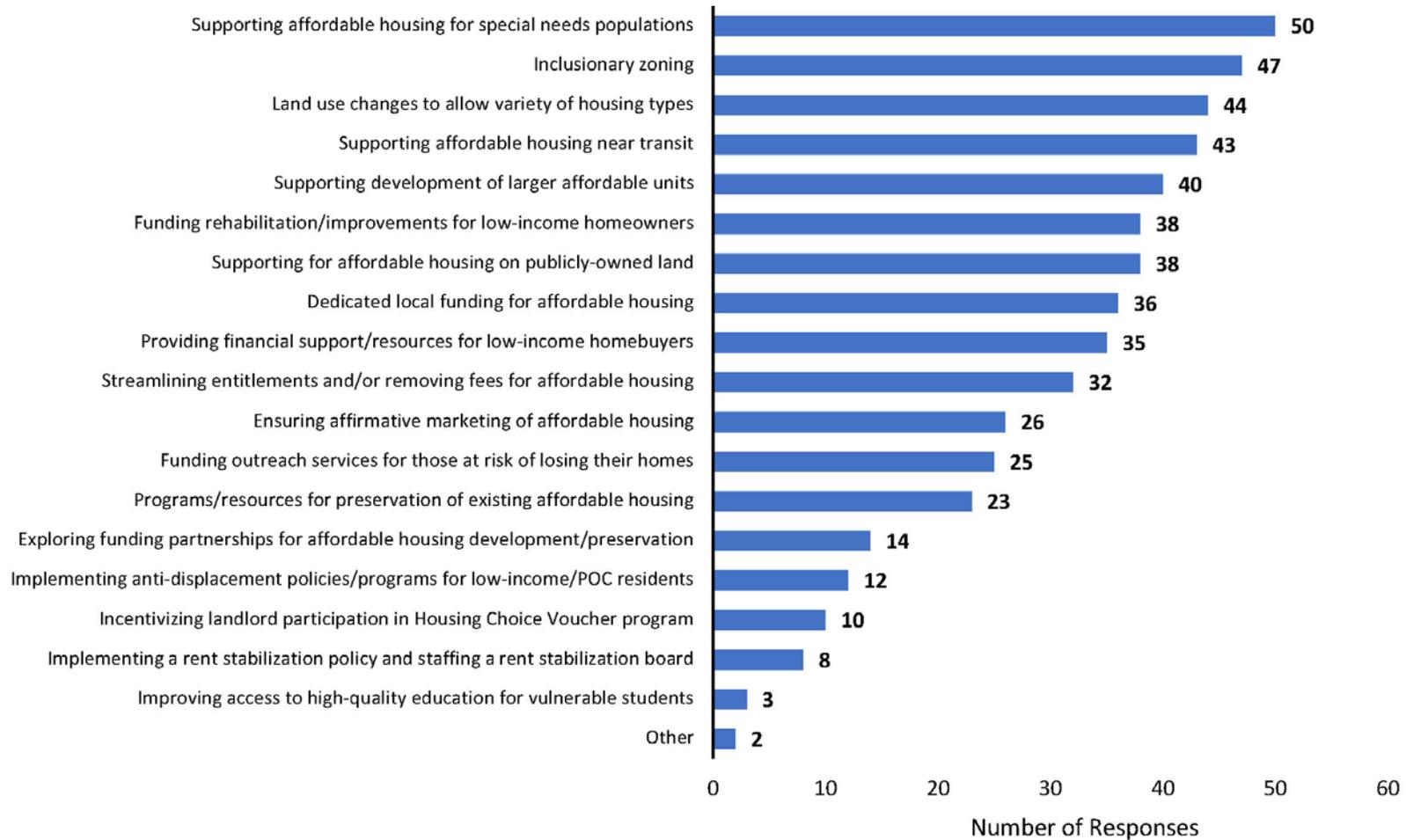
Key Takeaways from Respondents' Comments

Policies and initiatives to further fair housing: The survey results indicate that there are eight actions that a majority of respondents have taken to address existing segregation and enable equal housing choice (see Figure 13 on page A36). Most of these actions center on increasing the number of affordable housing units. For example, 69% of respondents have supported the development of affordable housing for special needs populations such as seniors, people with disabilities, people experiencing homelessness, and/or those with mental health issues. The survey responses also indicate that most respondents have sought to increase the supply of affordable housing through inclusionary zoning, land use changes, developing affordable housing near transit, encouraging the construction of larger affordable units, using publicly owned land for affordable development, and establishing local funding sources for affordable housing construction. Other common strategies to advance fair housing focus on low-income homeownership, with 53% of respondents funding home rehabilitation and improvements for low-income homeowners and 49% of respondents providing resources to support low-income homebuyers.

Goals for fair housing policies: Many of the jurisdictions' survey responses noted that a goal of their fair housing policies is facilitating equal housing opportunities by removing barriers to affordable housing. Specifically, respondents discussed the following objectives for their fair housing policies related to increasing the affordable housing supply:

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Figure 13. What actions has your jurisdiction taken to overcome historical patterns of segregation or remove barriers to equal housing opportunity? (Question 47)



- Financing affordable housing development through linkage fees and dedicated funding sources.
- Creating new affordable units and mixed-income development using inclusionary requirements for market-rate development.
- Providing support for nonprofit affordable housing developers.

- Preserving the existing affordable housing stock.

Additionally, respondents mentioned the following goals related to overcoming historic patterns of segregation and eliminating barriers to equal housing choice:

- Expanding affordable housing and homeownership

opportunities for those who have been directly affected by the historic legacies of housing inequities and discrimination.

- Ensuring that affordable housing is spread throughout all communities.
- Creating affordable housing options in high opportunity neighborhoods.
- Increasing the diversity of housing types throughout all neighborhoods through land use changes.
- Reducing barriers to mobility for low-income households and residents of publicly-supported housing.
- Making fair housing resources more readily available online and coordinating with fair housing services nonprofits to disseminate information and reduce discrimination.

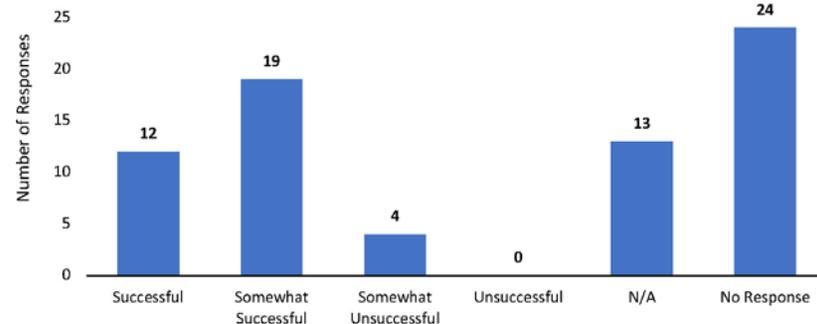
Respondents reported that their jurisdictions’ policies and actions were mostly successful for achieving goals related to furthering fair housing (see Figure 14). Notably, one-third of respondents did not answer this question, which could indicate a hesitancy to comment on the success of efforts to further fair housing. It is also possible that jurisdictions who do not engage in planning processes explicitly focused on fair housing skipped this question rather than selecting “N/A.” Respondents who did answer also discussed the reasons their jurisdictions were able to achieve fair housing goals as well as the factors that hindered the success of these efforts. Table 4 on page A38 provides a summary of these reasons.

Anti-displacement policies and initiatives in local jurisdictions:

Jurisdictions throughout the region have adopted a variety of policies to prevent or mitigate the displacement of their low-income residents. The most common strategies focus on the

production of affordable units as well as policies and programs to help low-income tenants remain in their current housing (see Figure 15 on page A39). 78% of respondents indicated that their jurisdictions promote streamlined processing for ADU construction. Other policies enacted by the majority of respondents include inclusionary zoning and condominium conversion regulations. Additionally, more than 40% of respondents assess affordable housing fees on residential and/or commercial development, while a comparable number of respondents provide support for fair housing legal services and/or housing counseling. It is worth noting that efforts to preserve subsidized and unsubsidized affordable units have been made by few jurisdictions, but these two strategies were selected by the most respondents as being of potential interest to the councils/

Figure 14. How successful were your jurisdiction’s past actions in achieving goals for overcoming historical patterns of segregation or removing barriers to equal housing opportunity? (Question 49)



boards in their jurisdictions. In addition to the options listed on the survey, respondents reported that the following anti-displacement policies and programs have been implemented by their jurisdictions:

- Relocation assistance for tenants displaced due to code enforcement actions, condo conversion, and demolition of housing units for redevelopment

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Table 4. Describe the reasons for the success or lack of success of your jurisdiction's actions to overcome historical patterns of segregation or remove barriers to equal housing opportunity. (Question 49)

FACTORS ENABLING SUCCESS IN ACHIEVING FAIR HOUSING POLICY GOALS:	FACTORS PREVENTING SUCCESS IN ACHIEVING FAIR HOUSING POLICY GOALS:
<ul style="list-style-type: none"> • Creation of new local funding sources for affordable housing • Construction of 100% affordable housing developments with local financial support • Streamlined approvals processes for development, particularly for affordable housing and ADUs • Production of new affordable housing through inclusionary zoning • Affordable housing opportunities are not limited to low-income neighborhoods • Rezoning and other policies implemented through Housing Element updates resulting in increased development of both market-rate and affordable units • Ongoing funding for fair housing services providers • Strong leadership, political will, and community support for policies that advance fair housing goals 	<ul style="list-style-type: none"> • Available funding inadequate for meeting the demand for affordable housing and other housing services • Land prices, land availability, and construction costs hamper affordable housing construction • Development of affordable housing cannot keep pace with the need • Longer timeframe required to see the effects of efforts to deconcentrate poverty and make affordable housing available throughout all neighborhoods • Lack of private investment, particularly in historically marginalized communities • Lack of staff to work on policy development and implementation • Community opposition to policies related to furthering fair housing

- Programs and land use regulations to preserve affordable housing in mobile home parks
- Just cause eviction protections
- Downpayment assistance programs for residents
- Partnering with land trusts to acquire foreclosed homes and other for-sale properties to make them available for low- and moderate-income homebuyers
- Assisting landlords with low-cost loans and grants for property improvements in return for keeping long-time residents in place

SECTION 3: SUMMARY OF BAY AREA LOCAL FAIR HOUSING REPORTS

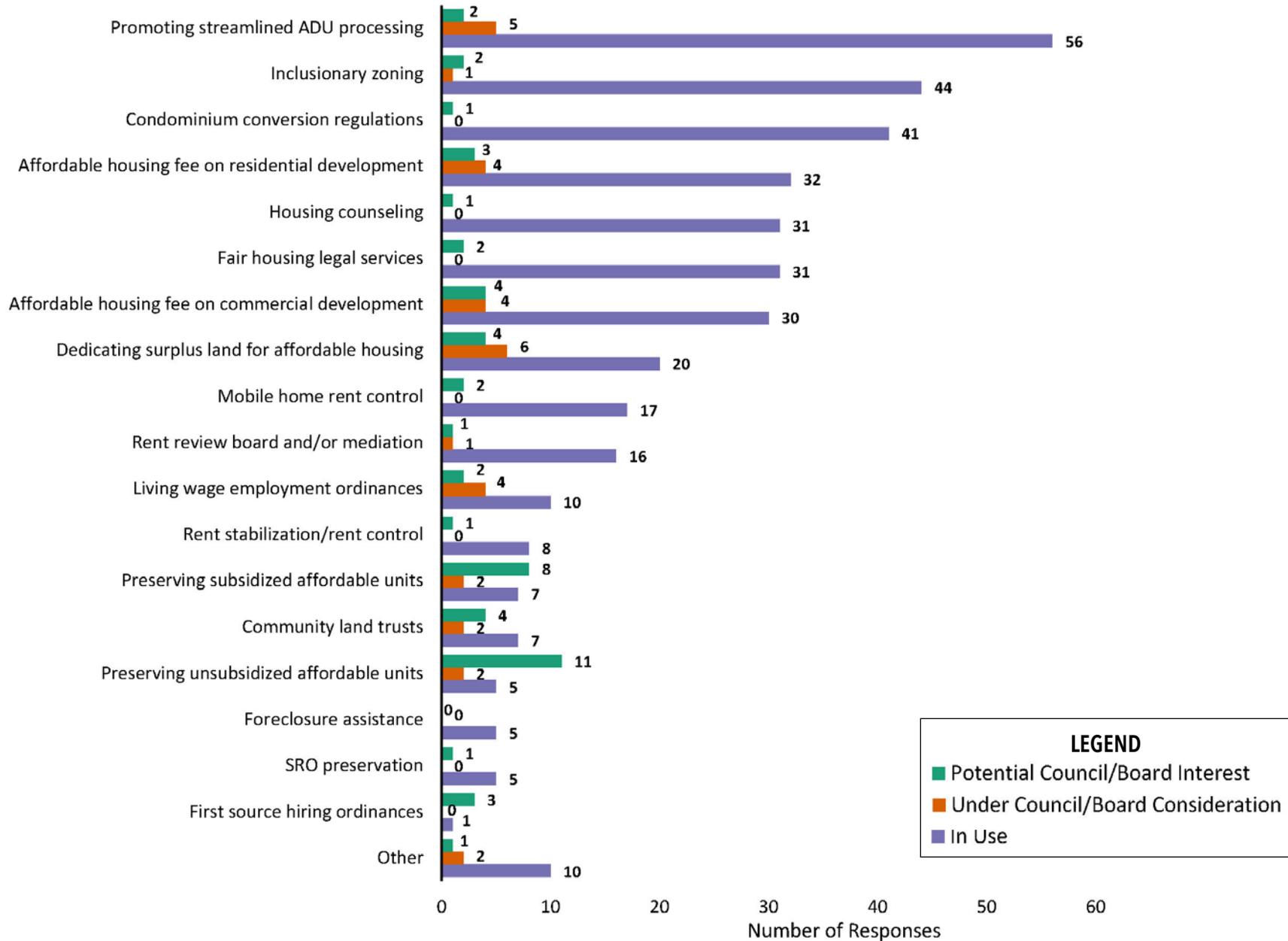
Federally Mandated Fair Housing Reports

Federal law obligates state and local jurisdictions receiving block grant funding from the HUD to submit a Consolidated Plan every five years, and this process requires conducting an Analysis of Impediments to Fair Housing Choice (AI).⁶ In 2015, HUD released a final rule on affirmatively furthering fair housing (AFFH), which provided updated guidelines for assessing fair housing issues and created a new Assessment of Fair Housing (AFH) tool to replace the AI process. HUD's intent for this new process was to improve community planning around fair housing issues, as this new tool required public participation and increased data analysis.⁷ In 2018, however, HUD suspended the AFH tool and reinstated the previous

⁶ See <https://www.hudexchange.info/programs/consolidated-plan/consolidated-plan-process-grant-programs-and-related-hud-programs/> or more information on the Consolidated Plan process.

⁷ See <https://files.hudexchange.info/resources/documents/AFFH-Fact-Sheet.pdf> and <https://www.hudexchange.info/programs/affh/overview/> for more information on the 2015 AFFH rule and AFH tool.

Figure 15. Which of the following policies, programs, or actions does your jurisdiction use to prevent or mitigate the displacement of low-income households? (Question 50)



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requirement to complete an AI report.⁸ In response to HUD's decision, the California legislature passed Assembly Bill 686 in 2018, which states that AFFH obligations must be interpreted in a manner consistent with HUD's 2015 AFFH rule, regardless of subsequent amendments to or suspensions of the rule.⁹ As a result, some reports submitted by Bay Area jurisdictions for the 2020-2025 cycle are labeled AFH reports, while others are AI reports, but the content and format of reports submitted since the passage of Assembly Bill 686 are likely to be similar, regardless of whether the report is labeled an AI or AFH.

Bay Area Reports

Currently, 41 Bay Area cities and counties participate in the Consolidated Plan process and have submitted AI or AFH reports to HUD. Because these reports are submitted as part of five-year planning cycles, most of these jurisdictions recently submitted a report for the years 2020-2025 or are currently working on a report for this cycle, though reporting in some jurisdictions occurs on a different timeline. While some reports are submitted to HUD by individual jurisdictions, this reporting can also be completed as a collaborative effort between a county government and local jurisdictions within the county.

Below is a summary of the 16 AI and AFH reports, which are the most recently submitted fair housing documents from Bay Area jurisdictions available to the public. These reports cover the following jurisdictions:

- Programs and land use regulations to preserve affordable housing in mobile home parks
- Just cause eviction protections
- Downpayment assistance programs for residents
- Partnering with land trusts to acquire foreclosed homes and other for-sale properties to make them available for low- and moderate-income homebuyers
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SECTION 3: SUMMARY OF BAY AREA LOCAL FAIR HOUSING REPORTS

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⁸ See <https://files.hudexchange.info/resources/documents/FR-Notice-AFFH-AI-Notice.pdf> for the 2018 HUD notice.

⁹ See https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB686 for text of Assembly Bill 686.

¹⁰ See <https://www.hudexchange.info/programs/consolidated-plan/consolidated-plan-process-grant-programs-and-related-hud-programs/> or more information on the Consolidated Plan process.

¹¹ See <https://files.hudexchange.info/resources/documents/AFFH-Fact-Sheet.pdf> and <https://www.hudexchange.info/programs/affh/overview/> for more information on the 2015 AFFH rule and AFH tool.

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- Alameda County collaborative report: the cities of Alameda, Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Newark, Oakland, Piedmont, Pleasanton, San Leandro, and Union City as well as Alameda County
- Contra Costa County collaborative report: the cities of Antioch, Concord, Pittsburg, and Walnut Creek as well as Contra Costa County
- Marin County
- City and County of San Francisco
- San Mateo County collaborative report: the cities of Daly City, San Mateo, South San Francisco, Redwood City, as well as San Mateo County
- Santa Clara County
- Sonoma County collaborative report: cities of Santa Rosa and Petaluma as well as Sonoma County
- City of Cupertino
- City of Fairfield
- City of Milpitas
- City of Mountain View
- City of Napa
- City of San Jose
- City of Sunnyvale
- City of Vacaville
- City of Vallejo

¹² See <https://files.hudexchange.info/resources/documents/FR-Notice-AFFH-AI-Notice.pdf> for the 2018 HUD notice.

¹³ See https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB686 for text of Assembly Bill 686.

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Reported Fair Housing Impediments, Strategies, and Actions

This summary focuses on common impediments to fair housing experienced by Bay Area jurisdictions, and it also lists specific strategies proposed and actions taken in response to these obstacles. While each AI or AFH report contains extensive city/county demographic information, housing equity history, and details on how the report was produced, including community engagement efforts, this summary does not focus on the individual circumstances of each jurisdiction. Rather, it collates these jurisdictions' most significant barriers to affirmatively furthering fair housing, as self-reported, and lists the strategies they have taken to overcome them, in an attempt to draw out common themes at the regional level.

The top themes to emerge at the regional level are:

1. There is a severe lack of affordable housing amidst already-high housing costs regionwide.
2. The lack of affordable housing leads to displacement and gentrification, impacting access to employment, transportation, and education for low-income people.
3. Communities often oppose new housing construction, especially when it is dense, affordable housing. While framed as an issue of "local control," in some circumstances this opposition to housing may be rooted in implicit discrimination based on race and class/income.
4. Jurisdictional zoning and approval policies and practices reflect this community opposition and contribute to the lack of affordable housing supply.
5. Lack of investment in specific neighborhoods is the result of longstanding explicit housing segregation, leading to racially-concentrated areas of poverty that persist today.
6. Outreach, education, and enforcement of fair housing activities are contracted out to nonprofits with insufficient resources.
7. There are significant accessibility barriers to housing for disabled, non-English-speaking, formerly incarcerated, formerly homeless, and other specific populations.
8. Discrimination in the private housing market is prevalent, both in the rental market and in lending policies and practices that impede home ownership.
9. There is much room for improvement in coordination and cooperation regionwide, both between jurisdictions and among different housing advocacy groups.

Below are more details on these highly interrelated obstacles to fair housing in the Bay Area, as well as actions and strategies that may offer solutions. Nearly all of the reports considered each of the following nine impediments, but they were inconsistent in clarifying whether the strategies noted have actually been implemented or are simply being considered. This high-level summary includes all strategies that local fair housing reports listed as potential solutions to these nine impediments. However, ABAG staff could not determine from these reports how many jurisdictions had implemented each strategy versus how many were considering the strategy but had not yet adopted it. The following list orders both the impediments and the strategies by approximate frequency and importance to the collective

jurisdictions (i.e., the most frequently reported, most important ideas across reports are listed first), as interpreted by ABAG staff who compiled the summary after reviewing the reports.

IMPEDIMENT 1: Lack of Affordable Housing

A lack of affordable housing means a lack of racially and ethnically integrated and balanced communities. Every Bay Area jurisdiction examined in this summary reports a shortage of affordable housing for those who need it, in both rental and ownership markets. The inadequate supply of affordable housing creates a severe housing shortage for communities of color, which are disproportionately economically disadvantaged.¹⁴

Strategies and Actions for Overcoming this Impediment

1. Seek funding for new affordable housing construction

- Pursue dedicated sources of funding for affordable housing (citywide, countywide, or regionwide), including:
 - o Affordable housing bonds
 - o Local sales tax, transit occupancy tax, or vacant home tax
 - o Housing trust funds for affordable housing development
- Explore state and national funding, such as CA Senate Bill 2
- Increase in-lieu fees¹⁵ to reflect actual cost of affordable

housing development

- Pool in-lieu fees among cities
- Adopt inclusionary housing policies to bolster funds to support affordable housing

2. Identify new sites for affordable housing

- Prepare and publicize available and easily obtainable maps of all incorporated and unincorporated vacant and underutilized parcels
- Create a public database of potential sites that can be updated regularly

3. Incentivize developers to build new affordable units

- Prioritize the production of affordable housing units in sizes appropriate for the population and based on family size
- Reduce developer fees for affordable housing
- Encourage market rate housing to include affordable units, such as by promoting use of density bonuses
- Identify underutilized parcels to acquire, convert and develop into affordable housing
- Award higher points in housing developer applications to projects that offer units of 3+ bedrooms
- Support Project-Based Voucher (PBV) developments¹⁶

¹⁴ For more information on economic disparities across racial/ethnic groups in the Bay Area, see *An Equity Profile of the Nine-County San Francisco Bay Area Region*, by PolicyLink and PERE, the Program for Environmental and Regional Equity at the University of Southern California. Read at: https://nationalequityatlas.org/sites/default/files/Final_9_County_BayAreaProfile.pdf.

¹⁵ In-lieu fees are fees paid by developers of market rate housing to satisfy affordable housing requirements in jurisdictions with inclusionary housing ordinances. The fee is paid in-lieu of providing on-site affordable housing, and jurisdictions typically use the fee to finance affordable housing development at a different site.

¹⁶ Under the Project-Based Voucher program, a Public Housing Agency enters into an assistance contract with a development owner. This assistance subsidizes the rents for up to 25% of the units in the development for a specified term. Households living in units subsidized by PBVs pay 30% of their income toward rent, and the Public Housing Agency pays the development owner the difference between the rent the household pays and the gross rent for the unit. PBVs can enable an affordable housing development to charge more deeply affordable rents and better serve extremely low-income households.

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- Promote objective development and design standards for housing development projects that qualify for streamlined permit review
- Provide assistance to developers to secure entitlements and county funding for extremely low-income/special needs units
- Coordinate use of housing subsidies to build affordable housing in high-opportunity areas in order to increase low-income households' access to designated opportunity areas with low poverty rates, healthy neighborhoods, and high-performing schools
- Explore the production of units that are affordable by design, such as Accessory Dwelling Units (ADUs) and micro-units

4. Consider existing units: Protect currently affordable housing from becoming market-rate, and/or convert currently market-rate housing to affordable housing

- Provide technical assistance and funding application assistance to retain affordable units at risk of converting to market rate
- Develop and implement a small site acquisition and rehabilitation program that effectively channels fees paid to the city, leveraged with other public and private resources, to the preservation of small buildings serving low-income tenants
- Leverage financial resources from state and federal

programs to rehabilitate existing affordable housing projects nearing the end of their affordability restrictions and extend their subsidy into the future

- Donate municipally-owned, tax-foreclosed properties to nonprofit community land trusts to be rehabilitated, as needed, and preserved for long-term affordable housing

IMPEDIMENT 2: Displacement and Gentrification

As defined by the Urban Displacement Project at UC Berkeley, gentrification is a process of neighborhood change in a historically disinvested neighborhood that includes both economic and demographic change. These changes occur as a result of both real estate investment and new higher-income residents moving in, which results in corresponding changes in the education level or racial makeup of residents.¹⁷ Gentrification often causes displacement, which prevents long-term residents from benefitting from new investments in their neighborhood. Moreover, when low-income families are displaced from their homes, they typically move to lower-income neighborhoods, which generally lack options for high-quality employment, transportation, and schools.¹⁸

Strategies and Actions for Overcoming this Impediment

1. Adopt tenant protections

- Adopt tenant protections, such as relocation costs, increased noticing, just cause for eviction, and rent control ordinances
- Promote new fair housing laws, including AB 1482,¹⁹

¹⁷ For more information on gentrification, see <https://www.urbandisplacement.org/gentrification-explained>.

¹⁸ For more information on the impacts of displacement, see <https://www.urbandisplacement.org/pushedout>.

¹⁹ For more information on the statewide rent caps and just cause for eviction protections instituted by AB 1482, see <https://sfrb.org/article/summary-ab-1482-california-tenant-protection-act-2019>.

including posting information on jurisdiction websites

- Collaborate with regional efforts such as established countywide homeless action plans/goals/programs that may provide one-time rent assistance to low-income people in jeopardy of being evicted due to life emergency or hardship
- Commission market-based rent surveys to seek adjustments to the fair market rents (FMRs) for the federal Housing Choice Voucher program
- Use eminent domain to block home foreclosures
- Fund and support multi-agency collaborative efforts for legal services, including organizations that do not receive Legal Services Corporation funding (federal funds) and are able to represent undocumented residents

2. Prioritize existing and new affordable housing, specifically in gentrifying areas

- Develop displacement mitigation or replacement requirements for any rezoning activities that could displace existing residents
- In tandem with investments in affordable housing development in low-poverty areas, provide funds for the preservation of affordable housing in areas that are undergoing gentrification or are at risk of gentrification, in particular in areas of high environmental health
- Donate municipally-owned, tax-foreclosed properties to nonprofit community land trusts to be rehabilitated, as needed, and preserved for long-term affordable housing
- Explore the development of policy that will allow a set-aside in affordable housing developments that prioritizes

residents who are being displaced from low-income neighborhoods undergoing displacement and/or gentrification

- Offer minor home repair grants to help homeowners remain in their homes

IMPEDIMENT 3: Community Opposition to New Housing

Communities often prefer single-family homes in their neighborhoods, which residents typically describe as based on fear of lowered property values, overcrowding, or changes in the character of the neighborhood. When communities resist new housing, it often results in the exclusion of people of color and low-income households.

Strategies and Actions for Overcoming this Impediment

- Develop growth management programs intended to concentrate urban development and preserve agriculture and open space
- Provide ongoing community engagement to educate, include and inform residents about the challenges with housing, and to highlight the jurisdiction's prior achievements in developing affordable housing and addressing racial disparities in housing choice
- Develop strategies and talking points to address topics cited in opposition to housing development, including the impact on schools, water, transportation and traffic
- Include and expand the number of participants who engage in discussions about barriers to fair housing and disparities in access and opportunities, and provide

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opportunities to advance recommendations to address housing challenges

IMPEDIMENT 4: Zoning Practices and Building Approvals

Local land use controls, zoning regulations, and impact fees are major impediments to constructing and preserving affordable housing. Unlike many other impediments to fair housing, jurisdictions have the authority to directly address these issues.

Strategies and Actions for Overcoming this Impediment

1. Evaluate and update zoning

- Evaluate and update existing zoning to ensure compliance with state-mandated streamlining requirements
- Rezone and repurpose underdeveloped areas
- Modify current zoning and other local policies regulating housing development that pose a direct or indirect constraint on the production of affordable housing
- Update zoning and programs to incentivize accessory dwelling units (ADUs)
- Explore revisions to building codes or processes to reduce the costs of ADU construction and/or allow a greater number of ADUs
- Encourage mixed-use transit-oriented development for affordable housing sites that are located near transportation facilities and employment centers by appropriately zoning for higher density residential and mixed-use developments, maximizing the linkages between employers and affordable housing

- Consider rezoning sites for affordable housing outside of racially segregated areas that are predominantly residents of color
- Consider reduced development standards, specifically parking requirements, to incentivize the development of specific housing types, including units with affordability covenants, units for special needs individuals, higher density residential development, and developments near public transit

2. Evaluate and update fees, processing times, ordinances

- Review existing inclusionary housing in-lieu fees, housing impact fees, and jobs-housing linkage fee programs to maximize number of units, as consistent with current housing market conditions and applicable law
- Evaluate options for streamlined processing of affordable housing developments
- Discourage or eliminate live/work preferences in inclusionary ordinances

IMPEDIMENT 5: Segregation, Lack of Investment in Specific Areas, Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs)

Public and private disinvestment in certain areas has resulted in racially/ethnically concentrated areas of poverty (R/ECAPs). In these neighborhoods, lack of tax revenue and funds for services has led to deteriorated and abandoned properties and areas where communities of color cannot access amenities needed for a healthy life.

Strategies and Actions for Overcoming this Impediment

1. Target economic investment opportunities in R/ECAPS while protecting against displacement

- Fund home-based childcare projects and microenterprise projects with Community Development Block Grant (CDBG) funds
- Provide Family Self-Sufficiency program participants with job training referrals and career networking²⁰
- Explore financially supporting economic development activities and initiatives in and around R/ECAPs
- Prioritize economic development expenditures in and around R/ECAPs
- Prioritize funding for job training programs in and around R/ECAPs, including industrial jobs
- Prioritize infrastructure and streetscaping improvements in R/ECAPs in order to facilitate local retail development
- Engage with small business incubators to expand to R/ECAPs or to provide technical assistance to start-up

incubators

- Explore methods for providing low-interest loans and below-market leases for tax-foreclosed commercial properties to low-income residents seeking to start businesses within R/ECAPs

2. Improve access to home renting and buying for residents in R/ECAPS

- Work with communities to develop a community land trust for low-income residents that creates opportunities for affordable housing and home ownership, with specific inclusion for residents of color with historic connections to the area
- Build affordable housing projects in middle- and upper-income neighborhoods to the maximum degree possible
- Create more standardized screening policies and procedures for city-sponsored affordable housing
- First-time homebuyer down payment assistance programs

IMPEDIMENT 6: Outreach, Education, Enforcement

Nearly all jurisdictions report contracting with nonprofit organizations (partly funded by city and county grants) to provide local fair housing services and education, including counseling, language services, and handling of fair housing complaints. Despite these efforts, the region lacks sufficient housing search assistance, voucher payment standards, landlord outreach, mobility counseling, and education about fair housing rights. Inadequate funding and organizational capacity of the nonprofits providing services plays a role.

²⁰ Family Self-Sufficiency is a program that enables HUD-assisted families to increase their earned income and reduce their need for welfare assistance and rental subsidies.

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Strategies and Actions for Overcoming this Impediment

1. Better fund all fair housing services

- Allocate more federal, state, and local funding for nonprofit organizations providing fair housing services
- Fund and support multi-agency collaborative efforts for legal services, including organizations that do not receive Legal Services Corporation funding (federal funds) and are able to represent undocumented residents

2. Promote better fair housing outreach and education services

- Continue to contract with fair housing service providers to educate home seekers, landlords, property managers, real estate agents, and lenders regarding fair housing law and recommended practices, including the importance of reasonable accommodation under the Americans with Disabilities Act; to mediate conflicts between home seekers, landlords, property managers, real estate agents, and lenders; and to continue fair housing testing and audits
- Implement annual training programs for property managers and residents
- Seek ways to increase resident access to fair housing services, such as improved marketing of services, improved landlord education, and improved tenant screening services to avoid owner bias
- Educate tenants and landlords on new fair housing laws
- Provide financial literacy and homebuyer education classes
- Continue to fund housing placement services for people with disabilities to assist them in finding accessible housing

- Develop and distribute informational brochure on inclusionary leasing practices, including with licenses where applicable
- Continue and increase outreach and education activities for all protected classes
- Include education on new requirements of Assembly Bill 2413 (Chiu), the Right to a Safe Home Act, in outreach activities to both landlords and the public¹⁹
- Explore alternative formats for fair housing education workshops such as pre-taped videos and/or recordings, which could serve persons with more than one job, families with young children and others who find it difficult to attend meetings in person

3. Better advertise affordable housing opportunities

- Create a database of all restricted housing units citywide/countywide/regionwide that could be posted online to provide user-friendly information about the location and application process for each development
- Advertise the availability of subsidized rental units via the jurisdictions' websites and or apps, the 2-1-1 information and referral phone service, and other media outlets

IMPEDIMENT 7: Accessibility for Specific Populations

Many jurisdictions report a lack of accessible housing for persons with disabilities, non-English-speaking people, formerly incarcerated people, formerly homeless people, seniors, and other specific populations—all direct fair housing issues.

Strategies and Actions for Overcoming this Impediment

- Fund housing placement services for people with disabilities to assist them in finding accessible housing
- Offer landlord incentives, such as leasing bonuses, for specific populations
- Conduct a research effort in collaboration with an academic institution to better understand the landlord population and create more evidence-based policy initiatives
- Increase marketing efforts of affordable housing units to people that typically face barriers and discrimination in fair housing choice, such as persons with disabilities, people of color, low-income families, seniors, new immigrants, and people experiencing homelessness
- To the extent practicable, use affordable housing funds for the construction of permanent supportive housing in developments in which 10-25% of units are set aside for persons with disabilities. Affirmatively market units to individuals with intellectual and developmental disabilities, their families, and service providers

- Explore methods for nonprofit partners to assist in purchasing or master leasing affordable units within inclusionary market-rate developments, and set a portion of those units aside for persons with disabilities
- Develop and disseminate a best practices guide to credit screening in the rental housing context in order to discourage the use of strict credit score cut-offs and overreliance on eviction records
- For publicly-supported housing, develop protocols to ensure responsiveness to reasonable accommodation requests

IMPEDIMENT 8: Discrimination in Home Ownership and Rental Markets

Over time explicit, legal discrimination has given way to implicit, unwritten biases in mortgage access and lending policies and practices for people of color—specifically in high rates of denial of mortgages for African American and Hispanic households. In the rental housing market, discrimination against low-income people, minorities, immigrants, and LGBTQ people is also prevalent. People using Housing Choice Vouchers also face discrimination for their source of income.

Strategies and Actions for Overcoming this Impediment

- Work with communities to develop a community land trust for low-income residents that creates opportunities for affordable housing and home

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ownership, with specific inclusion for residents of color with historic connections to the area

- Explore creating incentives for landlords to rent to Housing Choice Voucher holders, such as a leasing bonus, damage claim reimbursement, security deposit and utility assistance
- Streamline Housing Choice Voucher administration so participation is easy for landlords
- Increase outreach to LGBTQ and immigrant stakeholder groups to provide “know your rights” materials regarding housing discrimination
- Emphasize bilingual fair housing services and activities to ensure all members know their housing rights and the benefits
- Proactively enforce source of income discrimination laws²¹
- Contract with local service providers to conduct fair housing testing in local apartment complexes
- Modify and standardize screening criteria to ensure access to housing for otherwise qualified applicants with credit challenges or criminal histories
- Educate landlords on criminal background screening in rental housing (using HUD fair housing guidance) and explore the feasibility of adopting ordinances

IMPEDIMENT 9: Coordination and Cooperation

There is fragmentation among jurisdictions and among fair housing advocacy groups. More regional cooperation is needed to address disproportionate housing needs and the jobs-housing balance across the region.

Strategies and Actions for Overcoming this Impediment

- Expand ongoing interagency connections to support weatherization, energy efficiency, and climate adaptation for low-income residents
- Create a shared list of lenders countywide/regionwide that can help buyers access below-market-rate loans and sponsor down payment and mortgage assistance programs
- Collaborate on cross-jurisdictional informational databases or other resources for all aspects of housing
- Consider a sub-regional approach to share resources and possibly units to increase collaboration and production

²¹ Senate Bill 329, enacted in 2019, prohibits landlords from discriminating against tenants who use Housing Choice Vouchers or other government assistance to pay their rent.

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